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DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: INTERNATIONAL DEVELOPMENT STRATEGY FOR THE FOURTH UNITED NATIONS DEVELOPMENT DECADE (1991-2000)

International Development Strategy for the Fourth United Nations Development Decade

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Carlos Gianelli (Uruguay), on the basis of information consultations

The General Assembly

1. Proclaims the Fourth United Nations Development Decade, starting on 1 January 1991;

2. Adopts the International Development Strategy for the Fourth United Nations Development Decade, as set forth in the annex to the present resolution.

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ANNEX

International Development Strategy for the
Fourth United Nations Development Decade

I. PREAMBLE

1. We, the States Members of the United Nations, adopt the following International Development Strategy and designate 1 January 1991 to 31 December 2000 as the Fourth United Nations Development Decade. The global consensus reached in the Declaration adopted at the eighteenth special session of the General Assembly (resolution S-18/3) provides the basis for this Strategy. We pledge ourselves individually and collectively to undertake the measures necessary to implement the Development Strategy.

2. The goals and objectives of the International Development Strategy for the Third United Nations Development Decade were for the most part unattained. Adverse and unanticipated developments in the world economy wiped out the premises on which growth had been expected. The early years of the 1980s witnessed a recession in the developed market economy countries. Although growth in these countries resumed in 1983 and was sustained at a moderate tempo virtually without inflation over the remainder of the decade, the period was one of marked imbalances, external as well as fiscal, and of relatively high unemployment. Growth rates slowed down in the countries of Eastern Europe, where the need for structural transformation became increasingly manifest, resulting, by the end of the decade, in sweeping economic and political changes. World trade returned to a path of relatively rapid growth in the second half of the 1980s. But, for the developing countries, the external economic environment over the decade was generally characterized by shrinking resource flows, declining commodity prices, rising interest rates and increasing barriers to market access. During the 1980s, overall growth in the developing countries averaged 3 per cent annually and per capita growth 1 per cent. Over the 1960s and 1970s, by comparison, overall growth in these countries averaged 5.5 per cent and per capita growth 3 per cent.

3. Despite this background, some developing countries, among them some of the biggest and the poorest, succeeded in maintaining a relatively fast tempo of growth and transformation. For most others, however, the decade was one of falling growth rates, declining living standards and deepening poverty. The debt crisis that erupted in 1982 led to the virtual cessation of net commercial bank lending. There was a negative transfer of net financial resources to the indebted countries whose debt-servicing capacity was further weakened as interest rates grew and terms of trade deteriorated. As a result, the overall growth of developing countries with debt-servicing difficulties was only 1.5 per cent during the period 1981-1990. The decade of the 1980s saw a widening of the gap between the rich and the poor countries. It also witnessed political tensions and conflicts, as well as natural and man-made disasters that were costly and disruptive.

4. If the 1990s are to be a decade of development, this record of unsatisfactory progress and performance needs to be changed. Projections by the agencies of the

United Nations system unanimously suggest, however, that in the absence of major changes in policies, the coming decade too will be much like the previous one. While relatively rapid growth is foreseen for some countries of Asia, the prospect is one of continued stagnation for others, particularly in Africa and Latin America.

5. Such a prospect is fraught with danger. Growing populations and young and expanding work forces, as well as rising aspirations associated with the spread of education and the impact of communications, are imposing intense pressures on the political and social fabric of developing countries. Unless these pressures are relieved by decisive improvements in the pace and character of development, economic distress and political and social instability may spread, not only within national boundaries but beyond them as well, and may affect the peace and stability of the world as a whole. In the many developing countries where economic conditions stagnated or declined in the 1980s, absolute poverty became more widespread and conditions deteriorated in regard to nutrition and food security, job creation and education, health care and infant mortality, housing and sanitation. The erosion of living standards and social services brought mounting political unrest to many countries.

6. The interdependence of nations is rapidly becoming far more than a matter of links of trade and finance alone. There are strong trends towards greater openness in the movement of funds, people and ideas around the world. Over the past decade violence, social disorder and terrorism have become more common. Conflicts and upheavals lead to the movement of refugees and international migrants and give rise to problems of border control, admission and assimilation in receiving countries. The illicit traffic in narcotics links the poverty and social problems of the rich countries to those of producers whose traditional crops no longer ensure them a living. Environmental threats and epidemics are often themselves of global scope. These and other related problems can only be aggravated by economic stresses and strains and by the failure of the development process in the developing countries. The entire international community, rich and poor countries alike, have thus a vital stake in ensuring that the 1990s are truly a decade of economic and social progress throughout the world.

7. The prospects for the 1990s, assessed on the basis of the continuation of present policies, can and must be changed. The reactivation and acceleration of the development process is in the interest of all countries. The developing countries can provide a strong stimulus to world trade, investment and the strength and stability of the world economy. They already account for a significant share of the markets of the developed countries. Far-reaching developments have taken place on the international scene that provide new opportunities for reversing the trends of the 1980s. The relaxation of international tensions offers an opportunity for reducing military spending world wide, for a reduction of the strains on national economies and for the application of larger resources to the fight against world poverty. The waning of ideological conflicts is improving the climate of co-operation at all levels. There is no universal prescription for successful development. But a growing convergence of views is emerging in respect of effective approaches to economic and social development and in regard to the potential contributions to the development process of the private and public sectors, of individuals and enterprises, and of democratic rights and freedoms.

8. A strong stimulus to global co-operation is provided by the consciousness of the global consequences of environmental problems and their interaction with both development and the lack of development and by a growing awareness of the threats to the security of nations that could arise from frustrations and tensions in developing countries. Closer integration, in both Europe and North America, in prospect of the 1990s, has the potential to strengthen major economies and their capacity to support global economic growth if accompanied by openness to the outside world. The reform and restructuring of the economies of Eastern Europe and their integration into the world economy can contribute to the strength and dynamism of world trade. Closer co-operation and integration among the developing countries themselves also offer an opportunity to enhance the vigour of the development process. No less important, the rapid advances in science and technology and in global communications are opening up new vistas for productivity improvement, structural change and accelerated development.

9. These changes do not by themselves guarantee a reversal of the present trends and ensure that the development experience in the new decade will differ markedly from that of the 1980s. There are dangers, if the opportunities are not grasped, of the increasing marginalization of many developing countries in the world economy and of a weakening of the focus on development as an objective of international economic co-operation. But the changes offer a new context for decision-making and policy formulation and for approaches that could reverse the experience of the 1980s. They provide an opportunity for the formulation and implementation of an International Development Strategy that is aimed at releasing the great potential for development that exists in the developing countries and in the world economy.

10. The Declaration adopted at the eighteenth special session of the General Assembly contains a pledge that Member States "will endeavour to take all necessary steps to reverse the adverse trends of the 1980s, address the challenges of the 1990s and move into a more productive decade", recognizing that "such actions should take into account the responsibility of each country for its own development and should be in accordance with its capacity and its impact on the international economy". As in the 1980s, events now unforeseen will undoubtedly put their stamp on the coming decade. This Strategy is flexible. It seeks above all to spell out an agreed understanding on the issues and challenges, the actions and commitments, on the basis of principles for national and international action which will remain valid.

11. Countries have to adapt their national policies to facilitate open exchange and flexible responses to the changing world economy. Effective national policies have a critical role to play in achieving sustained, non-inflationary economic growth in all countries. Such policies should be supportive of investment, as well as of efficient allocation and mobilization of resources in order to achieve durable growth.

12. It is against this background that Member States agree on the following goals and objectives for the Fourth United Nations Development Decade.

II. GOALS AND OBJECTIVES

13. The principal aim of the Strategy is to ensure that the 1990s are a decade of accelerated development in the developing countries and strengthened international co-operation. The decade should witness a significant improvement in the human condition in the developing countries and a reduction in the gap between rich and poor countries. It should be one in which ways are found for the world community to meet its needs without degrading the environment. The Strategy also has important social and political objectives. Development over the decade should enhance the participation of all men and women in economic and political life, protect cultural identities and assure to all the necessary means of survival. Each country is responsible for its own economic policies for development, in accordance with its specific situation and conditions, and for the life and well-being of all its citizens. The Strategy should help provide an environment that supports the evolution everywhere of political systems based on consent and respect for human rights, as well as social and economic rights, and of systems of justice that protect all citizens.

14. To achieve these fundamental aims six interrelated goals must be met. They are:

(a) A surge in the pace of economic growth in the developing countries;

(b) A development process which is responsive to social needs, seeks a significant reduction in extreme poverty, promotes the development and utilization of human resources and skills and is environmentally sound and sustainable;

(c) An improvement of the international systems of money, finance and trade so as to support the development process;

(d) A setting of strength and stability in the world economy and sound macro-economic management, nationally and internationally;

(e) A decisive strengthening of international development co-operation;

(f) A special effort to deal with the problems of the least developed countries, the weakest among the developing countries.

15. These goals and objectives pose a big challenge. They call for serious and committed efforts by all countries. The developing countries themselves have the responsibility for the great effort needed to mobilize the potential of their people, to modernize and diversify their economies and to set themselves ambitious targets to build the foundation on which development rests: technical and managerial skills, industrial and agricultural capability and effective government services. Human resources development, entrepreneurship and innovation, and the energetic application of science and technology, in a context of political freedom, respect for human rights, justice and equity, are all essential and relevant to growth and development. The Strategy has singled out a number of areas of special priority: the eradication of poverty and hunger, human resources and institutional development, population, the environment and food and agriculture. The pursuit of

goals in these areas calls for resolute and vigorous action and for styles of development which establish a mutually reinforcing relationship between rapid economic growth and social objectives.

16. The efforts of the developing countries will, however, be easily thwarted by an unsupportive external environment. They will be thwarted if sudden external shocks decimate their national product and external revenues, as happened to many of them in the 1980s. All countries live in the international economic environment, but most developing countries remain imperfectly integrated in it and excessively vulnerable to its instability. Many are captives of external debt problems, of reduction in external resource flows, of sharply declining terms of trade and of mounting barriers to market access. Great obligations fall on the industrialized countries which influence the international economic environment and the functioning of the international economy and are partners in international co-operation for development. Great obligations fall also on the system of international organizations to extend and fulfil their role in the promotion of development. Developing countries can prosper only in a stable and progressive world economy and, conversely, the world community can have a safe and prosperous future only if economic, social and political progress in the developing countries is assured.

17. The attainment of the aims of the Strategy calls for more than marginal increases of growth rates. The developing countries must be enabled to generate, progressively, the resources needed to ensure productive employment for a fast-growing labour force, to overcome hunger, disease and ignorance and to raise living standards. The negative trends of the 1980s need to be reversed and conditions created for a kind of development that signifies a genuine transformation and does more than keep a growing population from the brink of famine. The time has come to move beyond adjusting to the shocks of the 1980s and to lay the foundations for a new wave of development. For most developing countries growth rates must accelerate significantly during the decade. Growth objectives will vary from country to country. For the relatively few countries where growth in the 1980s was satisfactory, the aim would be to consolidate progress and ensure that it is sustained. In the many countries where growth was interrupted, the first requirement is a return to a path of expansion where economic growth does not merely keep pace with but well exceeds the growth of population. In the second half of the decade the foundations for higher rates of growth should have been established. On the basis of the experience of some countries it is considered that sustained growth at a rate of the order of 7 per cent would provide the necessary conditions for a genuine transformation of the economy, with rapid increases in productive employment and poverty eradication, and would generate the resources needed for the protection of the environment.

18. Higher rates of growth in developing countries will reflect progress in the several sectors of the economy and in the pursuit of social and other goals. Although the Strategy does not seek to establish comprehensive and interrelated sectoral targets to be attained by the developing countries as a whole, many of its elements have been addressed in the various parts of the United Nations system. They cover such areas, among others, as employment and health, women and children, industry and technology, agriculture and food, population, education and culture,

shelter and settlement, telecommunications, transportation, including shipping, and the environment. Sectoral strategies and plans for significant achievements have been agreed upon by Governments. Translated into goals and objectives for both national and international efforts, ambitious and feasible targets of this kind have proved valuable in focusing policies and in monitoring progress. They also serve as reminders of the progress that can be achieved within a decade with strong political commitment and dedicated efforts.

19. The Strategy must look beyond the constraints of the moment. A decade is not enough to work miracles, but a true decade of development would make a great difference to the world situation on the eve of the next century. Serious development problems would still persist, but the debilitating deadlock of the recent past would have been broken for many developing countries. Their living standards would be rising instead of falling, the younger generation would find employment instead of being condemned to a desperate scurry for survival, and poverty and hunger would be pushed back instead of advancing. Revived investment would lay the foundation for growth in the next century and the energies and talents of the people in the developing countries would be harnessed for building their own future. The world as a whole would be safer and more prosperous than it will if present trends continue. A continued development failure in the next decade would be an invitation to world-wide disorder.

III. POLICIES AND MEASURES

20. The policies and measures needed to support and realize the Strategy must reflect the urgency of its goals and objectives. They must aim at the acceleration of growth and give attention to issues of special priority in the development process and must respond to special situations, including those of the least developed countries. In each area there are important policies and measures that need to be adopted in a national context by the developing countries themselves. There are equally important policies and measures that have to be adopted by the developed countries in the context of international co-operation for development. The international community as a whole must also strengthen the systems that support the sound workings of the world economy and the development process. The International Development Strategy is thus of relevance to all countries, which must commit their best efforts to pursue its goals within the limits of their abilities and responsibilities. The Strategy does not require unrequited sacrifices on the part of any countries. To the extent that public resources must be used in the pursuit of its goals, they represent investments in a better future world, investments that are strikingly modest by the standard of present defence budgets.

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A. The reactivation of development

1. Economic policy frameworks, external debt, development finance, international trade, commodities

21. The reactivation and acceleration of development requires both a dynamic and supportive international economic environment and determined policies at the national level. It will be frustrated in the absence of either of these requirements. The policies and measures needed for the 1990s must therefore cover both aspects. A supportive external economic environment is crucial. The development process will not gather momentum if the global economy lacks dynamism and stability and is beset with uncertainties. Neither will it gather momentum if the developing countries are weighed down by external indebtedness, if development finance is inadequate, if barriers restrict access to markets and if commodity prices and the terms of trade of developing countries remain depressed. The record of the 1980s was essentially negative on each of these counts and needs to be reversed. The policies and measures needed to create an international environment that is strongly supportive of national development efforts in the 1990s are thus a vital part of the Strategy. So too are national policies for development. Their main elements are set out below.

The economic policy framework

22. A surge in development during the decade of the 1990s can only take place within supportive frameworks of overall economic policy, both national and international. The sound macro-economic management of the world economy is of paramount importance. The major industrialized countries, which broadly determine the international economic environment by their policies, have a special responsibility to bring about a stable and predictable international economic environment in which development can succeed. The adverse development environment of the 1980s was in part a consequence of restrictive policies of the earlier years of the decade aimed at combating inflation at the expense of growth. The major industrialized countries influence world economic growth and the international economic environment profoundly. They should continue their efforts to promote sustained growth and to narrow imbalances in a manner that can benefit other countries. The co-ordination of macro-economic policies should take full account of the interests and concerns of all countries, particularly the developing countries. Efforts should be made to enhance the effectiveness of multilateral surveillance aimed at correcting existing external and fiscal imbalances, promoting non-inflationary sustainable growth, lowering real rates of interest, and making exchange rates more stable and markets more accessible.

23. The macro-economic policies of the developed countries should take account of the interests and concerns of the developing countries. During the 1980s, the developing countries were seriously affected by increases in real rates of interest and by frequent fluctuations in key exchange rates.

24. The economic policy framework of developing countries helps to shape the national environment for development and will need to take account of the objectives, priorities, and particular circumstances of each country. But the

acceleration of development will require strenuous efforts on a number of fronts. There is a need for determined policies that aim at increasing domestic savings and raising investments, as well as at improving the returns to investment. National policies must succeed in containing inflationary pressures which often have adverse economic and social consequences that prove disruptive of development. This calls for monetary and fiscal discipline to promote price stability and external balance and the maintenance of realistic exchange rates without the need for repeated currency depreciations that have often had adverse consequences on social stability and the terms of trade of developing countries.

25. National policies must also be directed at mobilizing all the latent energies and impulses for development within the developing countries, at promoting efficiency in the allocation of resources and at taking advantage of the opportunities for trade, investment and scientific and technological progress provided by a changing global economic environment. The role of the public sector in the development process is essential. Impediments to progress caused by bureaucratic inefficiencies, strains on the administration, excessive controls and neglect of market conditions by public enterprises need to be removed. The policy environment should, within the context of national goals, encourage a creative contribution for the private sector, stimulate entrepreneurship and innovation and promote the participation of the people at all levels in the development process. It should provide scope for the operation of market forces and for realistic pricing as a means to greater efficiency and soundness in the allocation of resources. The national policy framework should also enable developing countries to take full advantage of the opportunities of international trade and foreign investment, as well as promote co-operation among themselves. The effectiveness and flexibility of national policy frameworks would be enhanced in a setting of improving political institutions and legal systems. This would be reinforced by conditions that would permit declining military expenditures, and thus, the channelling of resources released for social and economic development.

External debt

26. For many developing countries, the reactivation of development would not take place without an early and durable solution to the problems of external indebtedness, taking into account the fact that for many developing countries, external debt burdens are a significant problem. The burden of debt-service payments on these countries has imposed severe constraints on their ability to accelerate growth and eradicate poverty and has led to a contraction in imports, investment and consumption. External indebtedness emerged as a main factor in the economic stalemate in the developing countries; there was a large net transfer of resources from the developing to the developed countries, depriving the former of much-needed resources for development. Development during the decade of the 1990s should not be hampered by prolonged failure to resolve the international debt problems. Accordingly, a durable and broad solution to these problems should continue to be given urgent attention as we begin the decade of the 1990s. Innovative solutions need to be found and relief obtained in the initial years of the decade.

27. Recent initiatives and measures to reduce the stock and service of debt or to provide debt relief for developing countries should be broadly implemented. Relief measures should aim at the resumption of vigorous growth and development in these countries and should address all types of bilateral debt of debtor developing countries. Serious consideration should be given to continuing to work towards a growth-oriented solution of the problems of developing countries with serious debt-servicing problems, including those whose debt is mainly to official creditors or to multilateral institutions.

28. Finding a solution to the debt problems is the joint responsibility of debtor and creditor countries, commercial banks and multilateral financial institutions. Debtor countries should continue their efforts to attain efficiency and return to a path of sustained growth by adopting appropriate national economic policies. The creditor countries are encouraged to continue reviewing their tax policies and regulatory and accounting practices in order to facilitate commercial debt and debt-service reduction operations. The multilateral financial institutions should continue to provide support for debt and debt-service reduction packages, with the necessary flexibility, under their established guidelines. Creditor countries should support growth-oriented policies of debtor countries in order to facilitate the resumption of growth and development, as well as the prompt restoration of creditworthiness of the debtor countries.

29. The measures agreed upon in the Paris Declaration and Programme of Action of the Second United Nations Conference on the Least Developed Countries, held in Paris from 3 to 14 September 1990, on the external debt problems of the least developed countries should be urgently and vigorously implemented.

30. The Paris Club is invited to consider increasing the flexibility of its negotiating mechanism and examining the current criteria of eligibility for debt relief and of the scope of the Toronto initiative for dealing with the debt problem, taking into account, inter alia, the Houston Economic Declaration adopted in July 1990. Measures must continue to be taken to relieve the external debt burden of low-income and lower middle-income countries whose debts are owed mainly to official creditors. Measures to address the external official debt problems of middle-income countries should also be seriously considered.

31. The external debt of the developing countries includes debts owed to financial multilateral institutions. Means must continue to be found by these institutions to relieve the burdens that arise out of such debt in ways that safeguard the high standing of these institutions in financial markets, such as the World Bank Debt Reduction Facility of the International Development Association (IDA) established in 1989 to provide debt relief to severely indebted low-income developing countries.

32. There is a close interrelationship between the external debt problem of the developing countries and the global economic environment. The debt-service burden is aggravated by rising interest rates, declining terms of trade, shrinking flows of external resources, protectionist barriers to trade and slow growth in the world economy and would be lessened by an improvement in these factors. A marked improvement in the international economic environment, combined with appropriate national policies that take advantage of this improvement, is essential to solve

these debt problems and to avoid their proliferation among countries that have hitherto avoided their disruptive consequences.

External development finance

33. Adequate resources, both domestic and external, are an essential condition for the reactivation of development. The developing countries need to mobilize domestic resources to the greatest extent possible and to implement determined policies and measures to this end. In the case of most developing countries, domestic savings contribute by far the larger part of the resources utilized for investment.

34. However, the essence of the development problem is that countries that are poor have limited scope for increasing savings by restraining levels of consumption that are already low. The savings efforts of the developing countries need therefore to be supplemented by external resources so as to raise investment to the levels needed for adequate economic growth.

35. Furthermore, the development process is generally dependent on the flow of imported goods and services that are needed for the growth of the economy. Where export earnings fall short of import needs, the development process would be frustrated in the absence of supplementary flows of external resources.

36. The external economic environment of the 1980s did not favour the flow of external resources to developing countries. Falling commodity prices and protectionist trends weakened the export earnings from many countries, while the flow of development finance was impeded by constraints on aid budgets in the donor countries and, after the debt crisis of 1982, the end of net commercial bank lending to developing countries. In the event, developing countries became less attractive for foreign investors. By the middle of the 1980s, the net transfer of resources to developing countries on the aggregate turned negative because of the burden of debt-service payments. This trend was further compounded by losses incurred by developing countries on account of the deterioration in their terms of trade.

37. These trends have to be reversed in the 1990s if development is to be accelerated. A surge in the tempo of development is virtually unimaginable if the flow of external resources is from the poorer to the richer countries rather than vice versa. This would make meaningless the concept of a decade of development endorsed by the international community. The new consensus on the need for a reactivation of development and on the priorities of development policies calls for a new commitment on the part of the international community to augment the flow of development finance to the levels needed to attain these agreed goals.

38. A reduction in the burden of debt-service payments, as discussed earlier, is an essential requirement for reversing the negative trends relating to the flow of external resources for developing countries. But there must also be significant improvements in the flow of finance for development from the major sources of such finance, that is, official bilateral assistance, commercial bank lending, direct private investment and the multilateral financial institutions. Such improvements, when taken as a whole, should be adequate for the requirements of development

finance in the 1990s. Merely to restore a positive net transfer to the developing countries in a foreseeable future within which no substantial flows of commercial credits can be expected, net official flows of loans and grants from all sources, which remained virtually constant at $35 billion in the 1980s, would have to grow substantially in the first half of the 1990s.

39. Economic reforms and the integration of Eastern Europe into the world market will generate substantial new demands for resources. This enlargement of the international division of labour will be to the benefit of all, but such needs should be met without diversion of the flows needed by developing countries.

40. Official development assistance (ODA) must remain an essential source of concessional aid to the developing countries, particularly to the poorest and the least developed. Aid programmes of donor countries have in many cases remained at low levels and need to be substantially improved in the 1990s. ODA has on average remained at only half of the internationally agreed target of 0.7 per cent of their gross national product (GNP). Donor countries should, in the 1990s, implement such undertakings as they have made to reach or surpass this target, as well as the targets for the least developed countries as adopted by the Second United Nations Conference on the Least Developed Countries. There should also be continued improvements in the quality of aid as well as in its utilization. The release of resources from any reductions of military spending and the recovery in the industrial countries should ease the budgetary constraints of donor countries, and rising concern about the environment and world poverty should provide new opportunities for development co-operation.

41. New possibilities for increasing the flow of development finance in the 1990s should also be explored. These include proposals for devoting part of the resources that may be released by the disarmament process and reduced military spending to development and for recycling to the developing countries, through suitable mechanisms and modalities, a part of the payments surpluses of major developed countries.

42. Commercial bank lending, in the aftermath of the debt crisis, has ceased to be a major source of development finance. However, a resumption of commercial bank lending is relevant in the context of both solutions to the debt problem and the needs of the developing countries, particularly those that are not recipients of significant concessional aid. The reactivation and acceleration of growth and an improvement in the global economic environment will help restore confidence in the creditworthiness of borrowing countries and facilitate the return of flight capital. None the less innovative changes will also be needed to evolve instruments of lending that help cushion borrowing countries against a recurrence of debt-service problems.

43. Foreign direct investment, which is not generally debt creating, could play an increasingly important role as a source of development finance, particularly when international trade is growing and markets are expanding and new opportunities are opened up by scientific and technological developments. Transnational corporations are already channels for technology transfer, world trade and marketing. Many developing countries are seeking, to the extent compatible with national

objectives, to establish a positive investment climate and to adopt appropriate investment codes.

44. The need for development finance is unlikely to be met exclusively through the channels of ODA, commercial bank lending and direct private foreign investment. The multilateral financial institutions could and should play a major role in the 1990s in the finance of development. Despite the efforts that have been made to enlarge the resources of the institutions in order to meet new needs, they will in the 1990s have to be considerably expanded. Their resources have been falling behind the growth of the world economy and especially behind that of the world capital markets. The net lending of the World Bank and regional development banks was, by the late 1980s, negligible or negative for a large number of developing countries. These institutions should be enabled to serve the role of intermediation between developing countries and the international capital market, for which they were designed. The conditionality associated with the use of resources should be realistic and in accordance with the need to ensure effective utilization by recipient countries.

45. The international monetary and financial system must evolve in the 1990s and respond to the needs of a changing world which now calls for universal co-operation. It should become an increasingly important source of both development finance and international liquidity. It should provide greater stability and predictability in exchange rates. Developing countries should have greater influence in decisions that affect them vitally.

International trade

46. The goal of reactivating development requires a strongly supportive environment for international trade in general and for trade of the developing countries in particular over the decade of the 1990s. The international trading system is the pillar of an interdependent world economy and should establish conditions of openness and fairness in the interests of all countries. Growth and development and the solution of the pressing problems facing the developing countries are dependent on an open and credible multilateral trading system based on the principles of non-discrimination and transparency. Outward-looking development policies and export-based industrialization will not succeed if export markets are limited by restrictive barriers. The international trading system will function best in an environment of growth and dynamism in the world economy, an environment to which the system itself will contribute. But it needs to be strengthened further in the 1990s by specific actions and measures.

47. Policies and measures in the area of international trade must be directed, in the first place, at arresting and reversing trends, particularly apparent during the 1980s, towards the erosion of the multilateral trading system as a result of unilateralism, bilateralism and protectionism. The international organizations in the field of trade should be strengthened to play their part in the achievement of this objective. Many new issues that reflect the changing nature of the world economy are pertinent to the evolution of the international trading system. But the strengthening of the trading system also requires the resolution of a number of ongoing issues, some of which are of special interest to developing countries and are crucial to the development process.

48. The acceleration of development in the decade of the 1990s should, inter alia, be supported by the following actions and measures in the field of international trade:

(a) Full and effective implementation of the commitment to halt and reverse protectionism, as undertaken in the Punta del Este Declaration. Protectionist trends of the 1980s have an adverse impact on the world economy and on the development process and performance of the developing countries and should not continue in the 1990s. Recourse to non-tariff barriers of various kinds, which has tended to increase in recent years, has affected the exports of developing countries;

(b) Trade liberalization and a sustained improvement in the access of developing country exports to the markets of both developing and developed countries through the reduction and removal of tariff and non-tariff barriers. Rapid structural adjustment in the developed countries in line with shifting comparative advantages will facilitate market access for the growing export capabilities of developing countries that arise in the course of their economic transformation. The rules of the international trading system recognize the need for differential and favourable treatment of developing countries in the context of the other principles set out in the Punta del Este Declaration. This need should be reflected in the functioning of the system;

(c) Liberalization of trade in tropical products and natural resource-based products. This should include the removal of the escalation in tariffs on processed primary products;

(d) Bringing trade in textiles under the normal rules of the General Agreement on Tariffs and Trade (GATT);

(e) Progressive and substantial reduction of support and protection in the field of agriculture;

(f) Effective implementation and appropriate improvement of the generalized system of preferences (GSP), expansion of product coverage, duty-free treatment and adherence to the principles of non-reciprocity and non-discrimination in its application;

(g) Measures to ensure that regional economic integration and the formation of trade blocs will not impede the growth of world trade and are in conformity with GATT rules. In particular, it is necessary to ensure that such developments do not result in additional barriers to developing country exports;

(h) Strict adherence to the rules and principles of GATT by all contracting parties.

49. Developing countries should endeavour to liberalize their trade régimes in ways consistent with their development objectives so as to improve the efficiency and flexibility of their economies and their participation in the world economy. They should create trade opportunities among themselves and promote more rapid

industrialization, in particular through the effective implementation of the Global System of Trade Preferences. There is great potential for economic integration among developing countries, and new efforts should be made during the 1990s to establish effective subregional and regional market arrangements among them.

50. The successful and balanced conclusion of the Uruguay Round, which aims at strengthening the international trading system, is crucial for progress in the 1990s. The treatment of new issues, hitherto outside the scope of the rules of the system, should take account of the development dimension and of the need for developing countries to build up their own capabilities. The dialogue and negotiations about required improvements in the international trading system should be continued and expanded in the 1990s. The dialogue should focus, inter alia, on an equitable balance of interest between developed and developing countries, the adaptation and reform of the system to ensure its relevance to the changing patterns of international trade, and the need to ensure greater co-ordination between international trade and financial policies.

Commodities

51. The terms of trade of the developing countries are an important aspect of the international economic environment for development. The depressed levels of commodity prices and earnings of developing countries from commodity exports were an important element in the slowing down of the development process in many developing countries in the 1980s. Technological change played some part in depressing the long-term trend of demand for certain commodities. But slow growth and instability in the world economy and persistently high supplies were factors of critical importance. Commodity exports will continue to play a key role over the 1990s in the economies of most developing countries and will remain crucial to their export earnings and livelihood. For these countries, the reactivation of development during the decade will prove difficult in the face of continued weakness in their commodity sectors and terms of trade and will require a flexible response on the supply side to changing market conditions. The Strategy for the 1990s must aim at a better functioning of commodity markets with greater transparency and more stable and predictable conditions. There is scope for improving international commodity policies in a number of ways.

52. The Integrated Programme for Commodities sought to improve the functioning of commodity markets through commodity agreements between producers and consumers, with support from the Common Fund for Commodities. The negotiation and renegotiation of such agreements proved difficult in the rapidly changing world economy of the 1980s and a number of existing agreements broke down. There has been hardly any lasting improvement in most commodity markets since then and the need for remedial action remains urgent. Commodity agreements between producers and consumers that improve the stability, transparency, and functioning of markets and reflect long-term market trends benefit both producers and consumers, and efforts should be made to negotiate or renegotiate agreements of this type in the 1990s. The first window of the Common Fund was established for the specific purpose of supporting such international commodity agreements.

53. The diversification of the economies of developing countries and their increased participation in the processing, marketing and distribution of their commodities is of the utmost importance. The second window of the Common Fund for Commodities should be effectively used in this regard, particularly for technical assistance and for commodity-specific programmes for horizontal and vertical diversification, especially for the least developed countries. The diversification process should also be supported through the provision of improved market access for primary and processed commodities. Co-operation among developing countries could also play a significant role in the processing, transportation and marketing of commodities.

54. Compensatory financing is an important means of cushioning developing countries, in particular the least developed countries, against commodity-related shortfalls in export earnings. Existing compensatory financing schemes, particularly the Compensatory and Contingency Financing Facility of the International Monetary Fund (IMF), should be strengthened as appropriate.

2. Science and technology, industrial policies and measures, agriculture

55. A solution to the debt problem, adequate resource flows, and a supportive environment in the areas of international trade and commodity markets are among the prerequisites for the reactivation of development during the 1990s. But a sustained acceleration of the development process will not take place unless developing countries modernize and transform their industrial and agricultural sectors and participate in the progress made possible by advances in science and technology. National policies in these areas must reflect the particular situations. But many issues have strategic aspects that are widely relevant. These are set out in the sections to follow, as a guide both to national efforts and to the support that is possible and needed through international development co-operation. In virtually all areas of effort there is scope and need for supportive financial and technical assistance from donor Governments, multilateral lending institutions and international agencies. There are also possibilities and requirements for co-operation among developing countries.

Science and technology

56. The reactivation of development in the decade of the 1990s on a sustained base would be closely related to the ability of the developing countries to participate in the rapid advances in science and technology that have characterized the global economy in recent years and will continue in the future. Knowledge is today a crucial determinant of economic progress. The knowledge gap between the developed and the developing countries has been widening and policies and measures are needed to help narrow it over the coming decade. High priority must therefore be given by the developing countries to raising their endogenous capacities and capabilities in this area.

57. Development and modernization in a setting of rapid advances in science and technology call for the establishment and strengthening of scientific cadres and

for upgrading the skills of the work force. Developing countries, in their plans and policies, should emphasize policies and measures that enhance their scientific and technological capability, and devote adequate resources to this end. Such policies must range from the expansion and adaptation of their educational systems, including vocational education, to the building up of scientific and technological research and development capabilities.

58. Policies and measures in this field should seek to enhance the capacity of developing countries to utilize scientific and technological developments from abroad, as well as to modify and adapt them to suit local conditions. Such policies should also aim at traditional technologies that are capable of being developed as a means of raising productivity.

59. Building the scientific and technological capability of developing countries calls for external assistance in research and development, in the establishment and strengthening of institutions in the area of science and technology, in the diffusion of new technologies and in the training of scientific cadres. Developing countries should not be discriminated against in regard to commercial access to science and technology for development purposes. Commercial channels for the import of technology, including direct foreign investment, are especially relevant and should be utilized on suitable terms and conditions. In addition, with respect to access and transfer of technology on concessional and preferential terms, in particular to developing countries, effective modalities should be examined with a view to implementing and enhancing such access and transfer as much as possible.

60. The international community should also review ways in which the intellectual property system can promote more effectively the economic and technological development of all countries, particularly the developing countries, and in which intellectual property can be effectively protected. Work on the international code of conduct on the transfer of technology should also be completed.

61. There is considerable scope for co-operation among developing countries in the development of science and technology. The developing countries could help each other by the establishment of common institutions and centres for research and training, by the pursuit of joint projects for technological research and development, by the offer of facilities for education in science and technology among themselves and by the exchange of information. Science and technology must be given a prominent place in schemes for co-operation among developing countries at the global as well as at the regional and subregional levels.

Industrial policies and measures

62. An acceleration in the process of industrialization must be a central element in the economic transformation of most developing countries and in the reactivation of development in the 1990s. Given the limits to agriculture as a means of providing increased employment and additional external earnings, industrialization becomes indispensable for sustained economic growth and social development. It is also through industrialization that developing countries could make use of many of the opportunities provided by advances in science and technology and by international markets. Policies and measures to promote industrialization must thus be a major plank in the Strategy for the 1990s.

63. Some notable exceptions apart, manufacturing industry stagnated in many developing countries during the 1980s. These countries experienced a chronic underutilization of existing industrial capacity, a lack of maintenance, import constraints and technological obsolescence. These problems were at times compounded by mismanagement. For these countries, the rehabilitation of their industrial sectors and an end to the underutilization of capacities must be objectives of priority. The rate of industrialization will obviously vary among countries, but for many countries, especially for those where manufacturing industry was set back in the 1980s, historical experience suggests that the objective should be to raise it significantly, say, to 8 to 10 per cent.

64. Industrial progress requires investments directly related to increasing manufacturing capacity. It is also dependent on an improved and modernized infrastructure in such areas as communications and transport, power, and banking and finance. It is dependent too on a supportive policy framework in the fiscal and monetary fields. Not least, it is crucially dependent on managerial and technical skills and on a trained and efficient work-force. Industrial development must also make use of linkages with other sectors of the economy, particularly the rural sector, which could supply both materials and markets for industrial growth. These subjects must form an integral part of the policies and measures that developing countries need to take for industrial progress during the decade. But there are also certain other major issues of policy that are central to faster progress in industrialization and that may call for new orientations. These are broadly outlined below.

65. One such issue concerns the relative roles of the public and private sectors. In the past, many developing countries, anxious to speed up industrialization and faced with a weak and inexperienced private sector, sought to establish manufacturing enterprises owned and run by governmental entities and enjoying a high degree of protection. Experience has shown that there can be limitations to such an approach, particularly when administrative capacities are strained. State-run enterprises can be hampered by bureaucratic rigidities and inefficiencies and lack flexibility, competitiveness and innovative power. The capabilities of the private sector have grown in many countries and there is considerable scope for enhancing the contribution that private enterprise can make to a dynamic process of industrialization. Entrepreneurship should be encouraged at all levels for the setting up of industries. There is usually a strong potential for the development of medium- and small-scale industries that could also contribute to enlarging both urban and rural employment opportunities. Where industries are under public ownership, efficiency should be improved through measures that increase their flexibility and their ability to respond to changing conditions.

66. Another issue is that of industrial production for exports as against production for the domestic market and import substitution. The establishment of industries supplying domestic markets is desirable because of market proximity, linkages with other sectors and reduced dependence. But there are often limits to the scope for import-substituting industries, particularly where markets are small. In these cases, policies based excessively on import substitution supported by highly protective barriers result in high cost and inefficiency. Production for export is a means of overcoming these limitations. It becomes a virtual imperative

where the scope for additional agricultural exports is limited. It is also a means of keeping step with technological progress and of closer integration with global markets, since exports call for efficiency and competitiveness.

67. The goal of industrialization calls for the building up of domestic ownership and national managerial and technological capabilities. But direct foreign investment can make an important contribution to industrialization. Such investment not only provides additional resources, but is also a means of having access to modern technologies, skills and markets. The rules and regulations of developing countries should encourage direct foreign investment in ways in which mutual interests are furthered. The constraints to the flow of external resources from other sources give added importance to direct foreign investment as a means of augmenting this flow.

68. The progress of industrialization in developing countries, and of outward-looking development in general, is closely related to openness and non-discrimination in international markets. The implementation of the measures needed in this area, as set out in the section on international trade, such as the lowering of tariff and non-tariff barriers and measures to further structural adjustment in the developed countries, form an important part of the strategy for industrialization.

69. Industrial progress in developing countries can also be significantly enhanced through co-operation among such countries at the global, regional and subregional levels. The integration of markets of developing countries, the setting up of joint ventures and programmes for training and upgrading skills must be among the objectives of policies and measures to promote industrialization during the 1990s.

Agriculture

70. For many countries, agriculture, with its large contribution to the national economy, will remain the principal means for the revitalization of economic growth during the 1990s. To the extent that countries depend on the export of agricultural commodities to world markets, progress will be closely related to the implementation of the measures outlined earlier for strengthening international trade in commodities. But agricultural production in the developing countries also meets the requirements of production for the domestic market to meet the need for food and other products of both the farming and the non-farming population. The acceleration of development calls, therefore, for a special focus on policies and measures aimed at raising agricultural output and at strengthening food security and self-reliance in food.

71. The transition from a traditional system of cultivation, sometimes at a subsistence level, to modernized agriculture should be the underlying aim of agricultural policy. In many developing countries, the pressures on available land are already high and there are limits to what can be achieved through an extension of the area under cultivation. Where such possibilities remain, measures could be taken to bring new land under cultivation through programmes of irrigation and land settlement, provided that adverse environmental consequences, such as could arise from excessive forest clearing, are avoided. In great part, however, progress in

agriculture is heavily dependent on raising productivity on lands already under cultivation. The scope for this could be large given the gap, often wide, between current productivity and technical potential.

72. There are several important components of the policies and measures needed for raising agricultural production and productivity. An annual rate of growth of the order of 4 per cent on average in food production would make a major contribution to food security and support agro-industrial development. But the great diversity of country situations means that there is no single set of policies of general applicability. Success will often depend on the removal of key constraints, which vary greatly from country to country. However, policies and measures based on the considerations set out below will be of broad applicability.

73. Success in reaching the potential for raising agricultural productivity requires a farming population possessed of the knowledge, the incentives, and the means required for this purpose. Improving the knowledge and skills of farmers calls for the diffusion of technology relating to agricultural practices and the use of improved varieties, as well as for the continued development and adaptation of technology through research. This underlines the importance both of effective extension efforts and services and of measures to enhance the capabilities of research institutions. The successful adoption of better methods and technologies is crucially dependent on incentives that link the use of superior methods to prospects for farmers to improve their standard of living. The price incentive is especially important, particularly in the context of the transition from subsistence farming to modernized agriculture. Policies that depress the prices of farm output in order to protect or subsidize living costs for the population at large are often counter-productive. A policy framework that permits more realistic prices that better reflect market situations often yields better results. Such a framework must also remove the shortcomings in marketing, distribution and storage that lead to an excessive gap between retail and farm prices.

74. Farmers must also have access to the means of raising agricultural productivity. Economic units of land and secure systems of tenure are often prerequisites for agricultural progress. Facilities for irrigation and a strong infrastructure of transport, communications and power, as well as other services that overcome the remoteness of rural areas, are among the others. A strong network of rural banking and credit is also vital to help farmers procure inputs and make the investments needed for raising production.

75. Policies and measures aimed at raising agricultural production need to take account of the linkages between agriculture and other sectors of the economy. The link with the industrial sector is especially important, since industry is a source of farm inputs and of consumer goods for the rural population as well as a source of demand for agricultural products. Agro-industries located in rural areas can provide both a stimulus to agriculture and a means of employment for underutilized labour. In a more general sense, there is also a close link between the productivity of farmers and the extent and quality of educational and health services and of housing available to the rural population.

76. There is often considerable potential for improving the contribution of women to agricultural progress. In most developing countries, women form an important part of the active farming population and of the agricultural labour force. Policies and measures to increase their productivity and involve them more in key decisions should raise their contribution to output and their incomes. Schemes for rural self-help and for the mobilization of labour for community development and for the upgrading and maintenance of the rural infrastructure can also play an important part in the drive for agricultural progress.

77. A number of steps are also needed at the international level. Finance for investments in the agricultural sector and technical assistance should form part of programmes for development co-operation, both bilateral and multilateral. Developing countries should have assured access to advances in such fields as biotechnology and genetic engineering, at appropriate costs. The removal of existing distortions in international trade in agriculture is also essential. In particular, the achievement of this objective requires that there be substantial and progressive reduction in support and protection of agriculture - covering internal régimes, market access and export subsidies - in order to avoid inflicting large losses on the more efficient producers, especially in developing countries. Special importance is attached to the successful outcome and effective follow-up of the Uruguay Round in the area of agriculture, tropical products and natural resource-based products, taking account of the needs of the net food-importing developing countries.

B. Priority aspects of development

78. An acceleration of the rate of economic growth is an essential objective for the 1990s. It is a condition for expanding the resource base of the developing countries and hence for economic, technological and social transformation. But economic growth by itself does not ensure that its benefits will be equitably distributed or that the physical environment will be protected and improved. Yet, if poverty persists or increases and there is neglect of the human condition, political and social strains will grow and endanger stability in the 1990s and beyond. Similarly, if environmental damage and degradation increases, the natural resource base of the developing countries and the welfare of populations will be harmed and progress in development itself will become unsustainable. The Strategy for the 1990s must therefore give special attention to the policies and measures needed in the areas of poverty alleviation, human resource development and the environment. It must also pay special attention to the related areas of population growth and the elimination of hunger. The decade of the 1990s must witness a significant improvement of the human condition everywhere and establish a mutually reinforcing relationship between economic growth and human welfare. The need to strengthen this relationship is, in fact, a principal theme of the present Strategy. It has not only to be reflected in national efforts but assisted by the international community through financial and technical support.

1. Eradication of poverty and hunger

79. The international community, noting the severity of poverty problems in developing countries, agrees that the objective of eradicating poverty is of the highest priority. It is encouraging that a broad consensus is emerging on strategies to be pursued towards the achievement of this goal.

80. The goal of eradicating poverty calls for policies and measures on two broad fronts. It calls, in the first place, for a style of development in which economic progress is distributed as widely as possible and not concentrated excessively on a few localities and sectors or limited groups of the population. It also requires, to the extent that poor and vulnerable sections of the population are not reached by this process, special and supplementary programmes and actions that are directly targeted to bring benefits to these groups.

81. The generation of employment and incomes through productive occupation is a major means of eradicating poverty since the absence of an adequate income through landlessness or the lack of opportunities for work is a prime cause of poverty. Development programmes and processes that provide employment on a large scale are thus an essential need. The sectors and the regions in which development takes place and the technologies adopted must be such as to have a significant impact on employment. This must be an important consideration in establishing the balance between growth in the agricultural, industrial, construction and other service sectors. The creation of employment and incomes through the activation of the informal sector of the economy and through the expansion of self-employment activities should also be an important part of policies to improve incomes and eradicate poverty.

82. Progress in development, even when occuring on a broad front, might still bypass significantly large sections of the population, particularly the poorest and most vulnerable. Special programmes and measures that are aimed directly at increasing their real incomes are thus likely to prove necessary. These could include the provision of cheap and subsidized food and other essentials, as well as income support for the poorest and the destitute. They could also include programmes of training and of mobilization of labour for local self-help and community development as well as for production. Such programmes establish a link between poverty eradication and productive activities. The provision of facilities at low cost in such areas as health, education and transport is also a means of raising the real income of the poor. Measures to relieve homelessness or poor housing should be another major aspect of poverty eradication programmes. The increase in the number of homeless people in many developing countries has been one of the serious manifestations of the deteriorating human condition, and the improvement of human settlements as agreed in the Global Strategy for Shelter to the Year 2000 should be part of the crucial effort in this field.

83. Women and children are a particularly vulnerable group in situations of poverty. Policies and measures for poverty eradication should have a particular focus on their needs and give special attention to maternal and child health care and to nutrition. Food security is also a major aspect of the fight against hunger and poverty and calls for an integrated approach to food production and consumption.

84. Policies and measures that are specifically directed at poverty eradication must be carefully targeted on that part of the population that is in need. Subsidized facilities and services that are general in scope and bring benefits to groups that are not in need are normally costly and impose excessive strains on the limited resources available to developing countries. Subsidies of a general nature could also contribute towards distorting prices and may, as in the case of food, have adverse effects on incentives for domestic production.

85. Developing countries need not await the transformation in per capita incomes to do away with the extremes of poverty, particularly hunger and destitution. Some developing countries with low per capita incomes have succeeded in obtaining relatively good results in the social field. But in the long run, economic growth is needed to raise living standards and eliminate poverty. Long periods of stagnation or low growth might make unsustainable the initial gains in the social area.

86. The struggle against poverty is the shared responsibility of all countries. Poverty eradication, as well as broad humanitarian and social goals, such as advancement in the quality of development, broad participation, larger choice and better opportunities for all men and women, needs and should have the full support of the international community. A substantial reduction in hunger and malnutrition is within reach. There is considerable scope for international food aid going beyond emergency situations. Member States must give effect to agreements already reached to make all efforts to meet four goals during the decade:

(a) To eliminate starvation and death caused by famine;

(b) To reduce malnutrition and mortality among children substantially;

(c) To reduce chronic hunger tangibly;

(d) To eliminate major nutritional diseases.

2. Human resource and institutional development

87. Human resource development has the closest of interactions with the process of economic and technological transformation. In a broad sense, it covers a wide range of activities that release the creative potential of the individual and determine the style of development. Each country has to choose its approach to human resource and institutional development in accordance with its national priorities, values, traditions and cultures and stage of development. Education and health are, however, essential aspects of human resource development and must receive special attention.

88. Education is both a basic human need and a prerequisite for the achievement of the other objectives of development. The educational skills of the labour force largely determine a country's competitive strength and its capacity to adjust to new and sophisticated technologies. In a number of developing countries, expenditure on education declined in absolute or relative terms during the 1980s

against the background of a worsening economic situation, and there was a resulting deterioration in the quality of education. Attention needs to be given, in the light of country situations, to each of the aspects of the educational system. The eradication of illiteracy needs special emphasis, including its eradication among women. A target of reducing adult illiteracy by at least one half during the decade has already been set by the international community. But a sound base of primary and secondary education is a basic requirement. Policies and measures in this area must provide for the relatively rapid increase in the population of school age that accompanies the growth of population common to most developing countries. In fact, the goals for the decade of providing universal access to basic education and of the completion of primary education by at least 80 per cent of the school-age group have been internationally accepted. This calls for adequate resources, both financial and administrative, capital and current, for the provision of facilities and materials and for the recruitment of teachers. At the same time there is the need to ensure that the expansion of the educational base does not result in a deterioration of quality and is supported by policies to train and retain teachers. The content of education at the primary and secondary level must also be relevant to a country's need for economic, social and political progress. In the framework of action to meet basic learning needs, it is important to ensure the speedy implementation of the World Declaration on Education for All, adopted by the World Conference on Education for All, held in Thailand in March 1990.

89. The increasingly important role that knowledge plays in determining economic progress in a rapidly changing global environment of science and technology gives a new urgency to upgrading and transforming the scientific, technological, entrepreneurial and managerial aptitudes of the population. This calls for an emphasis on higher education and on the development of the institutional base for the training of skilled cadres as well as for vocational training. It also calls for policies and incentives that are conducive to retaining skilled personnel in their countries on a voluntary basis. The skills of the work force at all levels may well be the key to progress in the 1990s and beyond.

90. In the field of health services, special attention needs to be given to primary health care and the prevention of chronic diseases as well as to general development objectives such as sanitation, safe drinking water and nutrition. This will help relieve the strains on the curative medical system to which increasing numbers tend to have recourse as a result of population growth, education and social change. Policies and measures in the field of health need to give special attention to women and children. Several targets for the decade have already been agreed upon by the international community. These include the reduction of under-five mortality rates by one third or 70 per 1,000 live births (whichever saves more lives); the reduction of malnutrition among children under five by one half; and the halving of maternal mortality rates. The participatory and environmental aspects of health care should be emphasized in the design of programmes. There should also be a special focus on preventing the spread of epidemics and other diseases that are endemic in many developing countries. Urgent steps need also to be taken for the control and prevention of acquired immunodeficiency syndrome (AIDS).

91. As in the field of education, policies and measures for health must pay increased attention to institution-building and the training of skilled health personnel at all levels. Here again conditions have to be created that encourage the retention of skilled cadres.

92. Human resource development could also be promoted by co-operation among developing countries. Developing countries could benefit by opening to each other their centres of quality for higher education and training. They could benefit by the exchange of teachers and of personnel in the field of health and by the sharing of experiences. They could also profit from the joint operation and management of institutions for human resource development, particularly at the regional and subregional levels.

93. The developed countries have an important role to play in promoting human resource and institutional development. Apart from investment support and technical assistance for the supply and use of equipment and for curricula development, a major contribution can be made by the developed countries through the provision of facilities for the training of skilled cadres. Education abroad has always played an important part in the training of skills in developing countries. But in the 1990s and thereafter its role can be vastly enhanced because of rapid developments in the field of knowledge and the urgent need of the developing countries for larger cadres of skilled personnel. At the same time, the developing countries should be assisted in building up their own institutions for training and higher education. As development progresses, there is need for them to enhance their self-reliance in this field.

94. Human rights and human development are ends in themselves. All human resource activities are mutually reinforcing. Careful analysis, policy design and effective management in education and health programmes will be required, and the support of agencies of the United Nations system should play a vital role. Given the interrelated nature of human resource development activities, inter-agency co-ordination in education, health, nutrition, housing, employment, child welfare and the advancement of women requires close attention. There should be programmes to integrate the elderly in development.

3. Population

95. Population programmes should be integrated with economic goals and strategies. The 1990s will see the largest increase in the population of developing countries of any decade in history, an increase of well over 20 per cent. The decade will also witness the aging of the world population. The demographic situation varies among countries, but in most developing countries a lowering of the rate of population growth will relieve the strains on the social situation, economic growth, the environment and the use of natural resources. Population growth rates are in fact beginning to decline in a number of developing countries. Over half of the developing countries are pursuing active policies to reduce the rate of population growth, and important lessons have been learned from this experience. The education of women, improved maternity and child care, and family planning services suited to the socio-cultural environment of individual

countries have proved to be effective and successful instruments of population programmes and should be further pursued and strengthened. Assistance to developing countries in the area of population should be substantially increased during the 1990s. Developing countries should also intensify their efforts to allocate adequate resources to population programmes.

4. Environment

96. The current threat to the environment is the common concern of all. All countries should take effective action for the protection and enhancement of the environment in accordance with their respective capacities and responsibilities and taking into account the specific needs of developing countries. As the major sources of pollution, the developed countries have the main responsibility for taking appropriate measures urgently. The economic growth and development of developing countries are essential in order to address problems of the degradation and protection of the environment. New and additional financial resources will have to be channelled to developing countries. Effective modalities for favourable access to, and transfer of, environmentally sound technologies, in particular to developing countries, including on concessional and preferential terms, should be examined.

97. The General Assembly, in its resolution 44/228 of 22 December 1989, has set important goals for the United Nations Conference on Environment and Development in 1992. These goals need to be realized.

IV. SPECIAL SITUATIONS, INCLUDING THOSE OF THE LEAST DEVELOPED COUNTRIES

98. Over two decades ago, the United Nations adopted criteria to identify the countries that were economically the weakest among the developing countries and that faced the most recalcitrant structural problems. It was recognized that these countries, designated the least developed countries, needed special support measures from the international community in their efforts to transform their economies and to improve their prospects for sustained development. In 1981, a special United Nations Conference on the Least Developed Countries adopted the Substantial New Programme of Action for the 1980s for the Least Developed Countries, in which a number of measures to support the development process in these countries were agreed upon. The measures included the setting of a target of 0.15 per cent of the GNP of the developed countries for concessional aid to the least developed countries.

99. However, these very countries, and others that were among the poorest and the weakest, were the hardest hit by the difficulties that arose in the 1980s on the world economic scene. In terms of the criteria initially adopted, the number of countries falling into the category of "least developed countries" - instead of declining as a result of successful development - actually increased from 24 in 1972 to 41 in 1990. The measures taken by the international community to support the least developed countries did not suffice to offset the adverse factors that

affected their development experience in the 1980s. In the light of developments in the world economy there is a risk that these countries will become increasingly marginalized; this risk needs urgently to be avoided.

100. In September 1990, the Second United Nations Conference on the Least Developed Countries was held in Paris, underscoring the principle of shared responsibility and strengthened partnership for the growth and development of the least developed countries and calling for mutual commitments and strengthened joint efforts on the part of both the least developed countries and their development partners. The programme of action adopted at the Conference needs to be fully implemented. Broad requirements have been set out. The present ODA targets, as agreed at this Paris Conference, should, in the first instance, be met. Special attention is needed to facilitate increased access of exports of the least developed countries to major markets. Enhanced compensatory financing for export earnings shortfalls should be considered. Donors should take the necessary steps to provide further bilateral concessional debt forgiveness to the least developed countries. All donors are urged to implement Trade and Development Board resolution 165 (S-IX) as a matter of priority in such a way that the net flows of ODA should be improved for the recipient. The Paris Club should consider the application of the Toronto terms to all the least developed countries in accordance with established procedures and criteria; the Toronto options should be reviewed, taking into account the July 1990 Houston Summit Communiqué; and proposals for further debt relief should be examined urgently. Financial institutions, particularly those providing non-concessional credits, are invited to give serious attention to measures to alleviate the burden of the debt that least developed countries owe to them.

101. The special development problems of the land-locked developing countries and of the island developing countries also call for special attention. Measures are needed to lift the constraints on their development arising from the special transportation and communications problems they face, from their limited internal markets and from their high degree of vulnerability to environmental damage and natural disasters.

102. These measures should aim at reducing the cost to those countries of access to and from the sea and world markets, improving the quality, efficiency and reliability of transit-transport facilities and diversifying their economies.

V. ROLE OF THE UNITED NATIONS SYSTEM

103. The organs, organizations and bodies of the United Nations system have a special responsibility for the pursuit of the goals and objectives of the present Strategy. The system has played a unique role in bringing the development issue to the attention of the international community. Through its studies on the several aspects of the development problem, both national and international, through the international conferences it has convened on major issues, through the understandings, conventions and agreements it has helped to negotiate - some of them of a legal or quasi-legal character - and not least through the technical assistance it has provided to developing countries, it has made an invaluable contribution to ideas, policies and actions in the realm of development. This role

must not only continue but must be strengthened and expanded in the 1990s with the support and encouragement of member States.

104. Virtually every aspect of the Strategy falls within the areas of concern of the various parts of the United Nations system. In many such areas and sectors, goals and targets for the coming decade and the actions needed for realizing them have already been agreed upon by member States and are crucial to the implementation of the Strategy. The Strategy also provides guidelines for further work on the evolution of policies and programmes and on seeking agreements for new actions. Major conferences of the United Nations system are already scheduled for the initial years and there will be others in the period beyond. These will be important occasions for reaching agreements that give more specific content to the actions and commitments needed to realize the goals of the Strategy.

105. The organs, organizations and bodies of the United Nations system have thus a vital role to play in furthering the analytical work of relevance to the elaboration and implementation of the Strategy, in promoting and securing the needed international co-operation and in providing technical assistance. The work of the international system should be given greater coherence by closer inter-agency co-operation and co-ordination and by organizational measures that strengthen the contribution of the system to development. The Strategy provides an initial framework for these objectives. The review of the functioning of the United Nations system should continue to be pursued with this aim in view; all of its member States have a responsibility for making it more effective and efficient.

106. The Secretary-General is encouraged to continue, by such means as he deems appropriate, his efforts to facilitate the solution to the debt problems of developing countries, taking into account all relevant proposals. In addition, the relevant organs and bodies of the United Nations system should undertake follow-up measures pertaining to the Uruguay Round of multilateral trade negotiations.

107. The growing interdependence in the world economy and the increasing linkages between various issues, such as money and finance, trade and development, give a new urgency to the co-ordination of macro-economic policies and management at the international level. The United Nations should play its role in this area as envisaged in the provisions of the Charter relating to the functions of the Economic and Social Council.

VI. REVIEW AND APPRAISAL

108. A process of review and appraisal should be an integral part of the International Development Strategy so as to ensure its effective implementation. This process should be undertaken at the national level by the respective member States. But it needs also to be undertaken within the United Nations system at the global, sectoral and regional levels. It should provide an occasion to give the necessary political stimulus, in the light of evolving needs and developments. It must be expected that conditions in the course of the decade will change in ways that cannot now be foreseen, and there is thus a case for permanent monitoring and periodic review, allowing, when necessary, for amendments and revisions to the Strategy.

109. The recent events in the Gulf area are having repercussions on the immediate economic outlook of many countries, particularly in energy and trade balances. While it is not possible, in view of the uncertainties to take account of them at present, it is important to keep the situation under review to determine whether in the context of the Strategy additional measures are required.

110. The organs, organizations and bodies of the United Nations system will play an important catalytic role in the implementation of the goals and objectives of the present International Development Strategy in their respective areas of competence.

111. The machinery for continued monitoring exists: the various agencies of the United Nations system and the regional commissions issue annual reports which, in effect, monitor the state of progress in virtually every area of international development. Governments participate in numerous debates in the specialized agencies, the Economic and Social Council and the General Assembly, in which the state of progress in international development is a major theme. In this sense, review and appraisal is already built into the procedures of the United Nations.

112. Nevertheless, review and appraisal relating directly to the progress of the Strategy as a whole is also needed on a periodic basis. This should be carried out biennially by the General Assembly through the Economic and Social Council, with an item on the implementation of the Strategy included in their agenda. The Secretary-General should submit appropriate recommendations in order to assist this process of review and appraisal.

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SECOND COMMITTEE
Agenda item 12

REPORT OF THE ECONOMIC AND SOCIAL COUNCIL

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Ahmed Amaziane (Morocco), on the basis of informal consultations held on draft resolution A/C.2/45/L.23

International Decade for Natural Disaster Reduction

The General Assembly,

Recalling its resolutions 42/169 of 9 December 1987 and 43/202 of 20 December 1988 on natural disaster reduction and 44/236 of 22 December 1989, in which, inter alia, it proclaimed the International Decade for Natural Disaster Reduction,

Reaffirming the need for the international community to demonstrate the strong political determination required to mobilize and use existing scientific and technical knowledge to mitigate natural disasters, bearing in mind in particular the needs of developing countries,

Noting with satisfaction that more than 70 Governments have informed the Secretary-General that they have established national committees or focal points for the purpose of attaining the objective and goals of the Decade,

Reconfirming the important responsibility of the United Nations system as a whole for promoting international co-operation in order to mitigate natural disasters, provide assistance and co-ordinate disaster relief, preparedness and prevention,

Noting the establishment of the Trust Fund for the International Decade for Natural Disaster Reduction, expressing appreciation to those countries that have so far contributed, or pledged voluntary contributions, to the Fund and, at the same

time, expressing concern that the resources available to the United Nations for the activities of the Decade are insufficient in relation to the requirements,

Taking note of the progress report of the Secretary-General on the Decade, 1/

Noting that the celebration in the United Nations of the International Day for Natural Disaster Reduction was not possible in 1990, and stressing the importance of the United Nations observing that Day in future years in a manner befitting the objectives and goals of the Decade,

Taking note also of the relevant conclusions of the twenty-fifth series of Joint Meetings of the Committee for Programme and Co-ordination and the Administrative Committee on Co-ordination, held on 25 and 26 October 1990,

1. Urges the international community to implement fully the International Framework of Action for the International Decade for Natural Disaster Reduction, contained in the annex to its resolution 44/236, and in particular:

(a) Invites Member States that have not yet done so to establish national committees or suitable focal points;

(b) Requests the Secretary-General to expedite his efforts to complete organizational and financial arrangements in accordance with sections D and E of the International Framework of Action;

(c) Appeals to the international community - in particular, to donor countries - for financial contributions to the Trust Fund for the Decade;

(d) Urges all countries to adopt policies which give priority to disaster mitigation measures;

2. Notes with deep concern that organizational arrangements have not been fully established and implemented in accordance with section D of the International Framework of Action for the Decade;

3. Reaffirms the important role played by the Director-General for Development and International Economic Co-operation as the focal point for overview and co-ordination of the programmes and activities of the United Nations system for the Decade, in accordance with section C of the International Framework of Action, and his mandate, as set out in its resolution 32/197 of 20 December 1977, and invites the Director-General to give momentum to those programmes and activities;

4. Reaffirms further the need for the secretariat of the Decade to work in close association and co-operation with the Office of the United Nations Disaster Relief Co-ordinator, bearing in mind the specific responsibilities and functions in the field of disaster prevention and preparedness entrusted to that Office by its resolution 2816 (XXI) of 14 December 1971;

1/ A/45/621.

5. Stresses the need for the Decade secretariat to work closely with the Office of the United Nations Disaster Relief Co-ordinator, while providing substantive and secretariat support to the Special High-Level Council, the Scientific and Technical Committee and to other related activities, and to report to the Director-General for Development and International Economic Co-operation through the Disaster Relief Co-ordinator;

6. Requests the Secretary-General to assist, in co-operation with relevant organizations of the United Nations system, in the formulation and implementation, during the Decade, of public information programmes aimed at raising awareness of disaster prevention among the general public;

7. Requests the Secretary-General to report to the General Assembly at its forty-sixth session on the progress in the implementation of the programmes and activities of the Decade, including the constraints in that regard, with appropriate attention to the status of existing international protocols and conventions for mutual assistance in cases of disaster, in accordance with paragraph 4 of its resolution 44/236.

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OPERATIONAL ACTIVITIES FOR DEVELOPMENT: UNITED NATIONS CHILDREN'S FUND

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Ahmed Amaziane (Morocco), on the basis of informal consultations held on draft resolution A/C.2/45/L.62

World Summit for Children

The General Assembly,

Welcoming the adoption by the World Summit for Children on 30 September 1990 of the World Declaration on the Survival, Protection and Development of Children and the Plan of Action for its implementation, 1/

1. Urges all States and other members of the international community to work for the achievement of the goals and objectives endorsed in the World Declaration on the Survival, Protection and Development of Children and Plan of Action as an integral part of their national plans and international co-operation;

2. Urges especially the donor countries to assist developing countries in achieving the goals set out in the Declaration and Plan of Action by increasing their contributions to development co-operation targeted for the special needs of children;

1/ A/45/625, annex.

3. Also urges all relevant organs, organizations and bodies of the United Nations system to take into account the goals, strategies and recommendations of the Declaration and Plan of Action in carrying out their programmes, and invites the relevant governing bodies to consider specific measures, within their competence, to address the special needs of children in the light of the Declaration and Plan of Action;

4. Calls upon the United Nations system to ensure appropriate dissemination of the Declaration and Plan of Action;

5. Requests the Secretary-General to take appropriate action to ensure the implementation and monitoring by the relevant organs, organizations and bodies of the United Nations system of the provisions of the present resolution;

6. Takes note of the provisions in the Plan of Action for appropriate mechanisms in the United Nations system to monitor its implementation;

7. Decides to consider at its forty-seventh session the question of the implementation of the Declaration on the Survival, Protection and Development of Children and its Plan of Action, in particular the response of the United Nations system;

8. Requests the Secretary-General to report to the General Assembly, through the Economic and Social Council at its first and second regular sessions of 1992, at its forty-seventh session on the implementation of the present resolution.

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SECOND COMMITTEE
Agenda item 84 (a)

OPERATIONAL ACTIVITIES FOR DEVELOPMENT: OPERATIONAL ACTIVITIES OF THE UNITED NATIONS SYSTEM

Bolivia*: draft resolution

Operational activities for development of the United Nations system

The General Assembly,

Recalling its resolutions 2688 (XXV) of 11 December 1970, 3362 (S-VII) of 16 September 1975, 32/197 of 20 December 1977, 41/171 of 5 December 1986, 42/196 of 11 December 1987, 43/199 of 20 December 1988 and 44/211 of 22 December 1989,

Emphasizing the need for a co-ordinated and prompt implementation of its resolution 44/211 by all organs, organizations and bodies of the United Nations system, on the basis of a three-year schedule, taking into account the linkages and interrelationship among issues, especially in the areas of the national execution modality, programming, decentralization, and simplification, harmonization and adaptation of rules and procedures,

Recalling its resolution S-18/3 of 1 May 1990, containing the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries,

Conscious of the objectives and priorities identified in the International Development Strategy for the Fourth United Nations Development Decade, 1/

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* On behalf of the States Members of the United Nations that are members of the Group of 77.

1/ Resolution 45/__.

Welcoming the World Declaration on the Survival, Protection and Development of Children and the Plan of Action for Implementing the World Declaration on the Survival, Protection and Development of Children in the 1990s, adopted by the World Summit for Children, held in New York on 30 September 1990, 2/

Recognizing the importance of the Programme of Action for the least developed countries for the 1990s, adopted by the Second United Nations Conference on the Least Developed Countries held at Paris in September 1990, and stressing the need for the United Nations development system to implement urgently the relevant measures contained therein,

Reaffirming the exclusive responsibility of the Governments of recipient countries to formulate their multisector and subsector strategies, which should also be used as a frame of reference for the programming of resources received from the United Nations system, and, in this context, stressing the need to remove structural obstacles in the processes and procedures of the United Nations system to enable the recipient Governments to exercise full responsibility in determining their priorities,

Reaffirming also that the fundamental characteristics of the operational activities for development of the United Nations system should be, inter alia, their universality, their voluntary and grant nature, their neutrality and multilateralism, and their ability to respond to the needs of the developing countries in a flexible manner, and that the operational activities of the United Nations system are carried out for the benefit of the developing countries, at the request of those countries and in accordance with their own policies and priorities for development,

Aware of the acute problems of island and land-locked developing countries and their particular needs for development to overcome their economic difficulties,

Recalling the United Nations Programme of Action for African Economic Recovery and Development 1986-1990 3/ and recognizing the need for successor arrangements beyond 1990,

Recalling also its resolution 42/231 of 12 May 1988 on the Special Plan of Economic Co-operation for Central America,

Recognizing that the 1980s have been marked by the longest period of sustained economic growth in the developed countries and the continued deterioration of socio-economic conditions in the developing countries,

Concerned that multilateral resources for official development assistance, in particular those resources channelled through the United Nations system, are

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2/ A/45/625, annex.

3/ Resolution S-13/2, annex.

growing at a slower pace than the overall official development assistance, and that the official development assistance as a percentage of the gross national product of developed countries has been falling,

Stressing the consequent need for a substantial increase in resources for operational activities for development on a predictable, continuous and assured basis, commensurate with the increasing needs of all developing countries, and emphasizing the special needs of the least developed countries,

Recalling the role of the United Nations Development Programme as the central funding mechanism for technical co-operation in the United Nations system, the full potential of which has not yet been realized,

Stressing that resources channelled through trust funds should be additional to programme resources,

Emphasizing the need to increase and strengthen the promotion and implementation of technical co-operation among developing countries on a priority basis, through the rapid and full implementation of the Buenos Aires Plan of Action for Promoting and Implementing Technical Co-operation among Developing Countries, 4/ in order to enhance the capacities and collective self-reliance of developing countries,

Taking note of the decisions adopted by the Governing Council of the United Nations Development Programme at its thirty-seventh session, on the fifth programming cycle, 5/ on elements of a funding strategy for the United Nations Development Programme, 6/ on agency support costs 7/ and on national execution, 8/

Reaffirming that national execution and the full utilization of national capacities would contribute to ensuring that programmes and projects are managed in an integrated manner and to promoting their long-term sustainability and wider impact on the development process,

Recalling the themes and objectives of the operational activities of the United Nations system, including those identified in paragraphs 3 to 8 of its

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4/ Report of the United Nations Conference on Technical Co-operation among Developing Countries, Buenos Aires, 30 August-12 September 1978 (United Nations publication, Sales No. E.78.II.A.11 and corrigendum), chap. I.

5/ Official Records of the Economic and Social Council, 1990, Supplement No. 9 (E/1990/29), annex I, decision 90/34.

6/ Ibid., decision 90/14.

7/ Ibid., decision 90/26.

8/ Ibid., decision 90/21.

resolution 44/211 and in decisions 90/14 concerning elements of a funding strategy and 90/34 on the fifth programming cycle, adopted by the Governing Council of the United Nations Development Programme, and stressing that the themes and objectives identified therein should in no way limit the prerogative of each recipient country to use United Nations assistance in the areas it chooses in accordance with its national priorities and objectives and local, cultural and socio-economic realities,

Taking into account the difficulties that many developing countries have been facing in recent years in meeting their counterpart financial obligations under technical assistance programmes and projects of the United Nations system,

1. Takes note of the report of the Director General for Development and International Economic Co-operation on operational activities for development of the United Nations system, including the response of the United Nations development system, and a synthesized summary of views of some Governments on the implementation of its resolution 44/211; 9/

2. Calls upon the international community, in particular donor countries, for a real and significant increase in resources for operational activities for development on a continuous, predictable and assured basis, and urges all countries to increase their voluntary contributions for operational activities for development;

3. Reaffirms the need for priority allocation of grant resources to programmes and projects in low-income countries, particularly the least developed countries;

4. Affirms that there should be a significant increase, in real terms, in the grant resources allocated to each developing country for operational activities, unless a significant increase, in real terms, in the per capita income of a country should justify otherwise;

5. Urges continued action by the governing bodies of the United Nations development agencies in 1991 to enhance national execution of United Nations-assisted programmes and projects;

6. Requests the Director General to include in his report to the General Assembly at its forty-sixth session proposals for developing clear system-wide guidelines for national execution on concrete measures designed to expedite the process of national execution in all United Nations-assisted programmes and projects, with a view to strengthening national capacities, taking into account the following elements:

(a) The crucial importance of simplifying the rules and procedures for national execution and their adaptation to the procedures of the recipient Government so as to reduce the administrative burden on Governments and on the

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9/ A/45/273-E/1990/85 and Corr.1 and Add.1-3 and Corr.1 and Add.4-5.

field offices of the United Nations Development Programme, and to avoid unnecessary delays in the appraisal, approval, monitoring and evaluation of programmes and projects;

(b) The need to ensure that the shift towards national execution reorients the human and technical capacities of the specialized agencies and other relevant bodies of the United Nations system away from the administrative burdens of the recruitment of experts, the procurement of equipment and the award of fellowships and towards a focus on the provision of relevant technical advice and monitoring, as well as on global research, analysis and policy functions;

(c) The need for United Nations agencies to localize, at the country level, information on data bases and rosters on sources of equipment, experts and training/educational institutions, including the data base for technical co-operation among developing countries (INRES), so as to facilitate the assumption by Governments of the responsibility for executing programmes and projects;

(d) The need to take concrete action to strengthen national units in charge of technical assistance and training institutions to enable Governments, inter alia, to design, manage, monitor and evaluate programmes and projects;

(e) The need for United Nations Development Programme field offices to be country specific and flexible in order to provide transitional assistance to Governments that wish to undertake national execution but that have not yet built up the required national management capacities;

(f) The importance of giving sufficient financial incentives, including incentives for technical support, through, inter alia, the agency support cost arrangements, to assist developing countries to move towards national execution;

7. Reiterates that the recipient Governments have the sole responsibility for the co-ordination and programming of external assistance and the principal responsibility for its design and management and that the exercise of those responsibilities is crucial to the optimal use of external assistance and to the strengthening and utilization of national capacity;

8. Emphasizes that, to enable Governments to design, co-ordinate and effectively programme United Nations assistance on the basis of their multisectoral, sectoral and subsectoral strategies, the following measures need to be undertaken:

(a) Urgent implementation of paragraph 17 (c) of its resolution 44/211, which concerns the harmonization of the programming cycles of all United Nations funding agencies and their adaptation to the planning periods of recipient Governments;

(b) Integration of non-emergency food aid from the World Food Programme with funds provided by the organizations of the United Nations by ensuring that the World Food Programme Committee on Food Aid Policies and Programmes and the Council of the Food and Agriculture Organization of the United Nations approves resources on the basis of a programme rather than a project-by-project approach;

(c) Reliance on national institutions and capacities for data collection, analysis and formulation and assessment of national programmes, with the United Nations development system providing technical advice, where necessary, including high-quality data/information on development experience within the context of technical co-operation among developing countries;

(d) Provision of resources by the United Nations funding agencies, including the trust fund resources of the specialized agencies and the funds administered by the United Nations Development Programme on the basis of the strategies of the recipient Government, which would serve as frames of reference for the programming of resources from the United Nations development system in an integrated manner;

(e) Co-ordinated review of rules, procedures and formats governing the appraisal, formulation, approval, procurement, reporting, monitoring and evaluation of programmes and projects, with a view to promoting a programme approach and facilitating national execution;

(f) Uniform and appropriate decentralization of authority to the country level;

(g) Assisting recipient countries in building and strengthening the capacities of units in charge of technical assistance to enable Governments to exercise fully their responsibility for managing and programming United Nations development system resources;

9. Takes note of the agreement in principle of the Joint Consultative Group on Policy to harmonize its programming cycles with national planning and budget cycles, and calls upon the Group to intensify its efforts in this direction;

10. Requests the Director-General in co-operation with the executive heads of the organizations of the United Nations development system, through their respective governing bodies, to institute greater country focus in their activities, which would improve efficiency and effectiveness and facilitate the maximum utilization and strengthening of national execution; this would require a redefinition of the roles, composition and range of skills available at their headquarters and in country offices, involving, inter alia, a better balance between technical expertise and administrative support staff at the country level, according to the specific needs of each recipient country, with agency headquarters providing support to the country offices through selective intervention;

11. Takes note of the action taken by the Executive Board of the United Nations Children's Fund and the Governing Councils of the United Nations Development Programme and the United Nations Population Fund in 1990 on decentralization in the context of the implementation of its resolution 44/211, and requests the governing bodies of the United Nations development system and the executive heads of the organizations concerned to delegate full authority to country offices, in keeping with the requirements of financial accountability, to make decisions in the following vital areas:

(a) Procurement, awarding of fellowships and hiring of experts;

(b) Negotiating details of project agreements;

(c) Reviewing disbursements on a regular basis;

(d) Reallocating funds between programmes and projects within the limits set by the country programme;

(e) Authorizing reimbursements of eligible expenses incurred by recipients;

(f) Making changes in the scope and design of individual projects, as required;

12. Also requests the governing bodies of the United Nations development system and the executive heads of the organizations concerned to develop criteria for the programme audit function to ensure greater impact and the long-term sustainability of programmes;

13. Notes with appreciation the decision of the Governing Council of the United Nations Development Programme on successor arrangements for agency support costs, 10/ and calls upon the Administrator of the United Nations Development Programme, in co-operation with the executive heads of the organizations of the United Nations system to make concrete proposals to enable the Governing Council to take a decision on outstanding issues in 1991;

14. Stresses the need, in the implementation of operational activities, to increase substantially the procurement of equipment and services, hiring of experts and utilization of the training facilities available in developing countries in order to promote and strengthen collective self-reliance among them;

15. Requests the Secretary-General to strengthen the Office of the Director-General, taking into account the need for equitable geographical distribution, to ensure adequate system-wide follow-up, monitoring and co-ordination of the implementation process on the basis of a consistent set of agreed guidelines;

16. Requests the United Nations development system, in particular the United Nations funding agencies, to continue to show maximum flexibility to recipient countries facing financial difficulties in meeting their counterpart financial contributions for ongoing projects;

17. Takes note of the three-year schedule for the implementation of the provisions of its resolution 44/211, and requests the Director-General to continue to ensure implementation of the provisions of that resolution and of the present resolution, and to submit a report to the Assembly at its forty-sixth session, through the Economic and Social Council.

10/ Official Records of the Economic and Social Council, 1990, Supplement No. 9 (E/1990/29), annex I, decision 90/26.

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Agenda item 79 (b)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: TRADE AND DEVELOPMENT

Draft resolution submitted by the Chairman

Eighth session of the United Nations Conference on Trade and Development

The General Assembly,

Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, 1/ on the establishment of the United Nations Conference on Trade and Development as an organ of the General Assembly,

Recalling also its resolution S-18/3 of 1 May 1990, containing the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries,

Recalling further its resolution 42/175 of 11 December 1987, in which it welcomed the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session, and its resolution 44/19 of 14 November 1989 on the twenty-fifth anniversary of the establishment of the United Nations Conference on Trade and Development,

Bearing in mind its resolution 40/243 of 18 December 1985 on the pattern of conferences,

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1/ See resolutions 2904 (XXVII), 31/2 A and B and 34/3.

1. Welcomes with deep appreciation the generous offer of the Government of Uruguay to act as host to the eighth session of the United Nations Conference on Trade and Development at Punta del Este;

2. Decides to convene the eighth session of the Conference at Punta del Este from 21 September to 8 October 1991, to be preceded by at two-day meeting of senior officials at Punta del Este on 19 and 20 September 1991;

3. Notes the approval by the Trade and Development Board of the substantive item of the provisional agenda for the eighth session of the Conference; 2/

4. Requests the Trade and Development Board to undertake the necessary intergovernmental preparations for the Conference and, at the second part of its thirty-seventh session, to agree on organizational arrangements for the Conference that will encourage ministerial participation, particularly in the conclusion of its work.

2/ A/45/15, chap. III, sect. B.2, decision 386 (XXXVII), para. 28; to be issued in Official Records of the General Assembly, Forty-fifth Session, Supplement No. 15.

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Agenda item 79

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Ahmed Amaziane (Morocco), on the basis of the informal consultations held on draft resolution A/C.2/45/L.50

Large-scale pelagic driftnet fishing and its impact on the living marine resources of the world's oceans and seas

The General Assembly,

Recalling its resolution 44/225 concerning large-scale pelagic driftnet fishing and its impact on the living marine resources of the world's oceans and seas, including enclosed and semi-enclosed seas, which was adopted by consensus on 22 December 1989,

Also recalling in particular that the General Assembly recommended that all members of the international community agree to certain measures specified in the operative paragraphs of resolution 44/225,

Further recalling the relevant principles elaborated in the United Nations Convention on the Law of the Sea, 1/ which are referred to in the seventh to tenth preambular paragraphs of resolution 44/225,

Commending the unilateral, regional and international efforts that have been undertaken by members of the international community and international organizations to implement and support the objectives of resolution 44/225,

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1/ Official Records of the Third United Nations Conference on the Law of the Sea, vol. XVII (United Nations publication, Sales No. E.84.V.3), document A/CONF.62/122.

Noting that at the Twenty-first South Pacific Forum, held at Port Vila, Vanuatu, on 31 July and 1 August 1990, the Heads of Government reaffirmed their opposition to large-scale pelagic driftnet fishing, 2/ and noting also the resolution on large-scale pelagic driftnet fishing in the South Pacific region, adopted by the South Pacific Conference at Noumea, New Caledonia, on 31 October 1990,

Welcoming the decision of a Member State to suspend driftnet operations in the South Pacific one year in advance of the date of cessation stipulated by the General Assembly, and the decision of other Member States to cease or suspend driftnet fishing,

Noting the meeting of the Authority of the Organization of Eastern Caribbean States at Castries, St. Lucia, in November 1989, which resolved, in its Declaration, 3/ to establish a regional régime for the regulation and management of the pelagic resources in the Lesser Antilles region that would outlaw the use of driftnets and called upon other States in the region to co-operate in this regard, and also the more recent developments in the wider Caribbean Community (CARICOM) region,

Noting that there have been recent meetings related, inter alia, to the protection of fish and other living marine resources and the environment in the Mediterranean, including the meeting of the Nine Western Mediterranean Countries on Dialogue and Co-operation in the Western Mediterranean, held in Rome on 10 October 1990, and the meeting on the Mediterranean of the Conference on Security and Co-operation in Europe, held in Palma de Mallorca, from 24 September to 19 October 1990,

Noting also that the International North Pacific Fisheries Commission has concerned itself with large-scale pelagic driftnet fishing in the North Pacific Ocean, including the need to accumulate scientific knowledge, and has supported the full implementation of Assembly resolution 44/225,

Also noting that the International Whaling Commission, at its 42nd annual meeting, in July 1990, referred to the use of large-scale pelagic driftnets in many areas of the high seas, including important habitats for cetaceans encompassing feeding and breeding grounds and migratory pathways, and endorsed Assembly resolution 44/225,

Further noting that, at its first session, the Preparatory Committee for the United Nations Conference on Environment and Development requested the Secretary-General of the Conference, inter alia, to prepare, for submission to the Preparatory Committee at its second session, a comprehensive report on the impact of large-scale harvesting, and new fishing technologies and fishing technologies

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2/ See A/45/456, annex.

3/ See A/45/64, annex.

incompatible with the sustainable management of living marine resources, taking into account Assembly resolution 44/225, 4/

Noting with appreciation the contribution to the report of the Secretary-General 5/ made by the Food and Agriculture Organization of the United Nations and other appropriate organs, organizations and programmes of the United Nations system and by various regional and subregional fisheries organizations, in response to the request of the Assembly in paragraph 6 of its resolution 44/225,

Also noting with appreciation the contribution to the report of the Secretary-General made voluntarily by some members of the international community, intergovernmental organizations and non-governmental organizations,

Noting that some members of the international community have initiated co-operative efforts to obtain statistically sound data on the impact of large-scale pelagic driftnet fishing,

Expressing deep concern about reports of attempts to expand large-scale pelagic driftnet fishing on the high seas of the Atlantic Ocean by one fishing entity, in disregard of paragraph 4 (c) of Assembly resolution 44/225,

Expressing concern about reports of reflagging of vessels by some private fishing interests, which is contrary to the spirit and content of resolution 44/225,

1. Takes note with interest of the report of the Secretary-General, 5/ and expresses its appreciation for his efforts;

2. Reaffirms its resolution 44/225, and calls for its full implementation by all members of the international community, in accordance with the measures and time-frame elaborated in paragraph 4 of that resolution concerning large-scale pelagic driftnet fishing on the high seas of all the world's oceans and seas, including enclosed and semi-enclosed seas;

3. Reaffirms the importance of all members of the international community taking such measures as may be necessary to ensure compliance with paragraph 4 (c) of resolution 44/225;

4. Requests the specialized agencies and other appropriate organs, organizations and programmes of the United Nations system, as well as the various global, regional and subregional fishery organizations, to continue to study urgently large-scale pelagic driftnet fishing and its impact on living marine resources and to report their views to the Secretary-General, bearing in mind the dates set out in paragraphs 3 and 4 of resolution 44/225;

4/ A/45/46, annex I, decision 1/20, para. 1 (o).

5/ A/45/663.

5. Requests the Secretary-General to bring the present resolution to the attention of all members of the international community, intergovernmental organizations, non-governmental organizations in consultative status with the Economic and Social Council, and well-established scientific institutions with expertise in relation to living marine resources;

6. Also requests the Secretary-General to submit to the General Assembly at its forty-sixth session a report on the implementation of the present resolution.

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Agenda item 79

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Carlos Gianelli (Uruguay), on the basis of informal consultations held on draft resolution A/C.2/45/L.30

Developing human resources for development

The General Assembly,

Reaffirming that the human being is at the centre of all development activities,

Considering that human resources are an essential means of achieving economic and social development goals,

Recalling General Assembly resolution 44/213 of 22 December 1989 on developing human resources for development and other earlier resolutions on the same subject, as well as Economic and Social Council resolution 1989/120 of 28 July 1989 on the development of human resources,

Referring to General Assembly resolutions S-18/3 of 1 May 1990, containing the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries and 45/___, containing the International Development Strategy for the Fourth United Nations Development Decade, in particular the relevant sections therein on human resources development,

Reaffirming the contribution to the elaboration of the concept of human resources development made by the Jakarta Plan of Action on Human Resources

Development in the Region of the Economic and Social Commission for Asia and the Pacific, 1/ the Khartoum Declaration: Towards a Human-focused Approach to Socio-economic Recovery and Development in Africa, 2/ the African Alternative Framework to Structural Adjustment Programmes for Socio-economic Recovery and Transformation 3/ and the communiqué of the tenth Meeting of the Conference of Heads of Government of the Caribbean Community, held at Grand Anse, Grenada, in July 1989, 4/

Welcoming the World Declaration on the Survival, Protection and Development of Children and the Plan of Action for Implementing the World Declaration on the Survival, Protection and Development of Children in the 1990s, adopted by the World Summit for Children, held at New York on 30 September 1990, 5/ as well as the African Charter for Popular Participation in Development and Transformation, adopted at the twenty-fifth session of the Economic Commission for Africa and sixteenth meeting of the Conference of Ministers responsible for Economic Planning and Development, 6/ the Paris Declaration and the Programme of Action for the Least Developed Countries for the 1990s, adopted by the United Nations Conference on the Least Developed Countries, held in Paris, in September 1990, and the World Declaration on Education for All and the Framework for Action to Meet Basic Training Needs, adopted by the World Conference on Education for All, held at Jomtien, Thailand, in March 1990,

Noting the report of the Joint Inspection Unit on human resources development through technical co-operation, 7/

Recognizing that the concept of human resources development, while specifically referring only to the human resource component of development programming, is intimately linked in a broad sense with many other elements and requires integrated and concerted strategies, policies, plans and programmes to ensure the development of the full potential of human beings,

Recognizing that human resources development should contribute to total human development, which enlarges the choices available to people in developing their lives and in fulfilling their aspirations,

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1/ Official Records of the Economic and Social Council, 1988, Supplement No. 11 (E/1988/35), chap. IV, resolution 274 (XLIV), annex.

2/ A/43/430, annex I.

3/ A/44/315, annex.

4/ A/44/477, annex.

5/ A/45/625, annex.

6/ A/45/427, appendix II.

7/ See A/45/113.

Reaffirming that strategies and policies for human resources development of each country should be in accordance with its national priorities, values, traditions, culture and stage of development,

Emphasizing that education, in particular basic education, which facilitates the acquisition and upgrading of skills, and continued demand-oriented technical training are inextricably linked to economic growth and sustained development of developing countries,

Recognizing the importance of improved educational opportunities for women and their greater integration into the development process,

Recognizing that education and training programmes, including distance education programmes, utilizing appropriate and sustainable technologies can broaden and improve the range of resources available to developing countries, helping them meet their requirements with regard to human resources development,

Stressing the importance of international co-operation in supporting national efforts for human resources development in developing countries and stressing also that both North-South and South-South co-operation, including economic and technical co-operation among developing countries, can play a valuable role in this field,

Emphasizing the need for the organs, organizations and bodies of the United Nations system to continue to give priority to human resources development in developing countries,

1. Takes note of the report of the Secretary-General on human resources development; 8/

2. Takes note, with appreciation, of the human-centred approach to the development process set out in the Human Development Report 1990, sponsored by the United Nations Development Programme, invites Governments to give due consideration to the ideas and recommendations contained therein, and invites the organs, organizations and bodies of the United Nations system to do likewise, bearing in mind the work expected in the report;

3. Recognizes that the achievement of a higher living standard and the well-being of individuals and peoples in general, through self-reliance and sustained development, constitutes one of the basic goals of human resources development in developing countries;

4. Emphasizes that human resources development in a context of political freedom, popular participation, respect for human rights, justice and equity, is essential to economic growth and development;

8/ A/45/451.

5. Emphasizes that basic education and continued objective-directed training are the most essential elements in human resources development;

6. Recognizes the importance of appropriate and sustainable technologies in the training and educational processes in developing countries and, in this context, stresses the role of intensified international co-operation through, inter alia, the transfer of technology relevant for that purpose;

7. Stresses the need for increased emphasis on co-operation in education programmes, including distance education programmes, in accelerating human resources development in developing countries;

8. Emphasizes the vital importance of national capacity-building in developing countries and encourages the United Nations system, particularly the United Nations Development Programme, to intensify activities in support of national efforts in this regard;

9. Emphasizes also the critical importance of qualified national personnel in national capacity-building and calls upon the international community to pay greater attention to the serious problem of the brain drain from developing countries;

10. Emphasizes the need to integrate human resources development into comprehensive strategies for human development, including supportive measures in vital and related areas such as population, health, nutrition, water, sanitation, housing, communications and employment, and to assess the progress in those areas through appropriate qualitative and quantitative indicators;

11. Stresses that the search for solutions to the problems of the most vulnerable population groups in developing countries should constitute an integral part of human resources development strategies;

12. Recognizes that improving the economic and social status of women is essential to the attainment of human resouces development objectives and stresses that their role should be fully taken into account in human resources development strategies so that they can better contribute to and benefit from development processes;

13. Recognizes also the importance of the development of children and young people and their integration into human resources development programmes in developing countries;

14. Stresses the vital importance of co-operation between the public and the private sectors in human resources development, particularly through the effective implementation of policies, plans and programmes for economic development and the optimal use of resources to that end;

15. Stresses the importance of international support for national efforts and regional programmes towards human resources development in developing countries and the need to increase the flow of resources to developing countries for those activities;

16. Calls upon the international community, including the multilateral financial and development institutions, to support the efforts of developing countries in human resources development, in accordance with their national priorities and plans, through, inter alia, operational activities of the United Nations system;

17. Requests the Secretary-General to submit to the General Assembly at its forty-sixth session a report on the implementation of the present resolution, including ways and means of strengthening his co-ordination of the activities of the United Nations system related to human resources development, as well as proposals for action by members of the international community to further promote and intensify co-operation in this field;

18. Decides to include in the agenda of its forty-sixth session an item entitled "Human resources development".

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Forty-fifth session
SECOND COMMITTEE
Agenda item 79 (d)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: FOOD PROBLEMS

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Carlos Gianelli (Uruguay), on the basis of informal consultations held on draft resolution A/C.2/45/L.40

Food and agricultural problems 1/

The General Assembly,

Recalling the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries, contained in its resolution S-18/3 of 1 May 1990, and the International Development Strategy for the Fourth United Nations Development Decade, contained in its resolution 45/___,

Recalling also its resolutions on food and agricultural problems, in particular resolution 41/191 of 8 December 1986 and 43/191 of 20 December 1988, and Economic and Social Council resolution 1989/88 of 26 July 1989 on food and agriculture,

Reaffirming the Universal Declaration on the Eradication of Hunger and Malnutrition adopted by the World Food Conference, 2/

1/ The term "agriculture" and its derivatives include fisheries, marine products, forestry and primary forestry products. See Basic texts of the Food and Agriculture Organization of the United Nations, vols. I and II, 1989 edition.

2/ Report of the World Food Conference, Rome, 5-16 November 1974 (United Nations publication, Sales No. E.75.II.A.3), chap. I.

Stressing the imperative need to keep food and agricultural issues at the centre of global attention, and its role for the reactivation of development, as was pointed out in the chapter on agriculture of the International Development Strategy for the Fourth United Nations Development Decade,

Reaffirming that food and agricultural problems in developing countries should be considered in a comprehensive manner, in their different dimensions and in their immediate, short-term and long-term perspectives, taking into account the interaction of agricultural development with, inter alia, the external economic environment, policies for agriculture growth, human resources development, rural development policies, and the links between natural resources, environment, population growth trends and sustainable agriculture,

Emphasizing that the continuing gravity of the economic situation in many developing countries, including the persistence of negative trends in the food production and agricultural sectors, requires in many cases urgent and decisive action at the national and international levels to support and ensure their full economic recovery and development,

Stressing the need for continued and additional support from the international donor community for agricultural development in developing countries and for the increased efforts and investment of those countries in the development of their food and agricultural sectors,

Noting with concern the fact that the tensions concerning international trade in agricultural markets remain serious, notably owing to the persistence of all types of trade-distorting agricultural support, covering internal régimes, market access, export subsidies and sanitary and phytosanitary regulations in many developed countries,

Stressing that the Uruguay Round of multilateral trade negotiations presents a unique opportunity to develop a more open, viable and durable trading system and the importance of overcoming obstacles in the negotiations and arriving at a successful balanced and comprehensive conclusion of the Round,

Emphasizing that the long-term objective of the negotiations on agriculture is to establish a fair and market-oriented agricultural trading system and that a reform process should be initiated through the negotiation of commitments on support and protection and through the establishment of strengthened and more operationally effective rules and disciplines of the General Agreement on Tariffs and Trade,

Concerned that the economies of most developing countries continue to suffer because of, inter alia, the long-term adverse trends in international commodity prices, protectionism and worsening terms of trade, a growing debt-service burden and the trends in the transfer of resources to and from developing countries, which have had a negative effect on international trade and agriculture, particularly for developing countries,

Reaffirming that the right to food is a universal human right that should be guaranteed to all people and, in that context, believing in the general principle that food should not be used as an instrument of political pressure, either at the national or at the international level,

Welcoming the ongoing work of the Global Information and Early Warning System on Food and Agriculture in monitoring the world food situation and in alerting the international community to impending problems,

Noting with alarm that the screw-worm fly has been introduced into North Africa and is now established, thereby posing a potential threat to people, livestock and wildlife in Africa, the Mediterranean parts of Europe and the Near East,

Welcoming the efforts taken by the countries affected and the international community in containing locust and grasshopper infestations through the implementation of General Assembly resolution 43/203 of 20 December 1988, entitled "International strategy for the fight against locust and grasshopper infestations, particularly in Africa",

Welcoming the decision of the Conference of the Food and Agriculture Organization of the United Nations at its twenty-fifth session to reinforce the International Code of Conduct on the Distribution and Use of Pesticides, 3/ with a view to enhancing the protection of health and the environment, and noting the co-operation between the Food and Agriculture Organization of the United Nations and the United Nations Environment Programme in that regard,

Noting with particular concern that hunger and malnutrition have been increasing since the World Food Conference was held in 1974, that the number of people suffering from hunger and malnutrition has increased in the 1980s and that only limited progress has been made towards the central objective of the World Food Conference,

1. Welcomes the conclusions and recommendations of the World Food Council at its sixteenth ministerial session, held at Bangkok from 21 to 24 May 1990, in particular the pragmatic action taken to meet the growing challenges to fight hunger and malnutrition in the 1990s, and calls upon Governments and international and non-governmental organizations fully to assist the World Food Council in implementing the recommendations;

2. Takes note of the report of the Secretary-General on trends in the international market for agricultural and tropical products and the liberalization of international agricultural trade; 4/

3/ See Report of the Conference of FAO, Twenty-fifth Session, Rome, 11-29 November 1989 (C 89/REP), paras. 110-120.

4/ A/45/583.

3. Stresses the urgent need for substantial progress in stimulating food production and productivity in developing countries and the importance of increasing domestic food production, thereby stimulating national economic growth and social progress in those countries, in particular in Africa and the least developed countries, and helping to resolve the problems of hunger and malnutrition effectively;

4. Affirms that increasing food production and improving access to food by low-income people in developing countries will significantly contribute to the eradication of poverty and the elimination of malnutrition, and recommends that a higher priority be given to supporting food production and to developing a marketing infrastructure and income/employment generation in the national development efforts of those countries in order to ensure adequate food supplies and equitable distribution of food;

5. Stresses the importance for developing countries to create a basis for more rapid industrialization and diversification of their economic structure with a view to increasing their food and agricultural production and, in that context, stresses the importance of finance for investment in the agriculture sector, which should form part of national policies and programmes for international co-operation, both bilateral and multilateral;

6. Stresses the importance of science and technology in the development of agriculture, in the increase of food production and in the modernization of agriculture and, in that context, calls upon the international community to support scientific and technological training and research in developing countries in order to promote sustainable agricultural development in those countries and emphasizes the urgency of strengthening international co-operation in the field of transfer of environmentally sound agricultural technologies and of facilitating the free exchange of information on experience and technology relating to food production, processing and storage, taking into account the need for developing countries to have assured non-discriminatory access to advances in such fields as biotechnology and genetic engineering, at appropriate cost;

7. Urges the members of the international community to take further determined action in support of the efforts of developing countries by further increasing the flow of resources, including concessional flows designated for agricultural development, and increasing food aid commitments emphasizing the strengthened efforts of developing countries to increase mobilization and allocation of domestic resources to address food and agricultural problems, in addition to the flow of resources from developed countries and the need to channel this assistance through appropriate existing organizations and programmes;

8. Stresses also that the provision of food aid in the context of emergency and natural disaster situations should be reinforced through additional rehabilitation and development assistance in order to help restore food production capacity and self-reliance and should be provided with a view to restoring such capacity;

9. Calls for a joint effort by all States and international and appropriate intergovernmental organizations to improve the food situation and enhance the nutritional levels of affected groups, in particular low-income groups, especially during the implementation of structural adjustment programmes;

10. Stresses that the outcome of the Uruguay Round of multilateral trade negotiations should present a unique opportunity to develop a more open, viable and durable trading system, to reverse the disquieting rise in protectionism by a progressive and substantial reduction of support and protection measures in order to avoid inflicting large losses on the more efficient producers, especially in developing countries, and to bring agriculture under the strengthened and operationally effective rules and disciplines of the General Agreement on Tariffs and Trade, fully in accordance with the Ministerial Declaration on the Uruguay Round and the Mid-Term Review Agreements; efforts to that end should take into account the need to provide special and differential treatment for developing countries, their food security objectives and the need for agricultural and rural development, as well as the need to give effect to the Mid-Term Review Agreements, in which it was stated that ways should be developed to take into account the possible negative effects of the reform process on net food-importing developing countries;

11. Stresses the need to implement promptly and fully the relevant provisions of the Ministerial Declaration and the Mid-Term Review Agreement concerning tropical products, including processed and semi-processed tropical products;

12. Also stresses the need to improve global economic conditions in order to establish food security in developing countries at the national, subregional, regional and global levels;

13. Calls upon the international community to support and complement, through specific and effective measures, the efforts made by Governments of African States to stimulate agriculture and food production and to implement fully the United Nations Programme of Action for African Economic Recovery and Development 1986-1990; 5/

14. Urges all States members of the Food and Agriculture Organization of the United Nations to assist the organization to fulfil its leading role in the United Nations system in assisting countries in their agricultural and rural development;

15. Appeals to the international community to contribute generously to the World Food Programme so that the pledging target for the period 1991-1992, as set out in General Assembly resolution 44/230 of 22 December 1989, can be attained and the Programme can continue its activity in support of development and in meeting emergency food needs;

5/ Resolution S-13/2, annex.

16. Welcomes the conclusion of the arrangements for the third replenishment of the International Fund for Agricultural Development, calls upon the international community to continue supporting the activities of the Fund in favour of agricultural development in developing countries, takes note with satisfaction the positive contribution made by the Fund to the economic recovery programmes of its member developing countries and its increased assistance to the African region in conformity with the United Nations Programme of Action for African Economic Recovery and Development 1986-1990, particularly through its Special Programme for Sub-Saharan African Countries Affected by Drought and Desertification, and invites donors to endorse the Governing Council International Fund for Agricultural Development resolution 60/XIII about the possibility of additional voluntary contributions to the Special Resources for Sub-Saharan Africa for a further three years, starting in January 1991, without prejudicing deliberations on the mobilization of core funding for the International Fund for Agricultural Development resources;

17. Stresses the need for continued and co-ordinated international action to tackle the long-term problems of migratory pest control and food-related diseases in developing countries, and calls upon donors to continue to give high priority to the implementation and continued co-ordination by the Food and Agriculture Organization of the United Nations and other relevant programmes of emergency control programmes, as well as medium-term and longer-term measures, against grasshoppers and locusts, including regional preventive programmes on the desert locust and research on sustainable control strategies formulated and financed in collaboration with the International Fund for Agricultural Development and to remain prepared to provide financial and technical assistance to affected countries at short notice;

18. Urges the international community to give full support to action to eradicate the screw-worm fly, particularly in Africa, welcomes the support already provided by donors to the collaboration between the Food and Agriculture Organization of the United Nations and the International Fund for Agricultural Development on the eradication programme and calls upon them to give high priority to the implementation of the international emergency eradication programme in Africa, co-ordinated by the Screw-worm Emergency Centre for North Africa of the Food and Agriculture Organization of the United Nations, in co-operation with the Fund;

19. Notes the decision of the Food and Agriculture Organization of the United Nations and the World Health Organization jointly to convene an International Conference on Nutrition in 1992, stresses the need for this Conference to focus on specific rules and practical action and calls upon the international community to support that effort fully as a basis for concerted national and international action to tackle the problems of malnutrition, undernutrition and specific nutrition-related diseases and conditions in the 1990s;

20. Calls upon the international community to implement the Programme of Action for the Least Developed Countries for the 1990s, adopted by the Second United Nations Conference on the Least Developed Countries, held in Paris in September 1990, and, in particular, to support the efforts of those countries in

the areas of food production and rural development, food security, development and management of fishery and forestry resources, environmental protection and sustainable development;

21. Emphasizes the need for further efforts to be made to achieve the four broad hunger-alleviation goals contained in the Cairo Declaration, adopted by the World Food Council at its fifteenth session in May 1989 - namely:

(a) Elimination of starvation and death caused by famine;

(b) A substantial reduction in malnutrition and mortality among young children;

(c) A tangible reduction in chronic hunger;

(d) Elimination of major nutrition-deficiency diseases; 6/

22. Urges the World Food Council, as decided at its sixteenth ministerial session, in May 1990, within its mandate, to improve co-ordination of national and international action towards a more concerted attack on hunger and to examine the food production challenges facing different regions of the developing world in the 1990s, 7/ and further urges it to continue sensitizing the international community to the nature, causes and consequences of hunger and malnutrition and to continue recommending appropriate practical policies for remedial action;

23. Calls upon the developing countries, in addressing the food problems to promote international co-operation within the context of their primary responsibility for promoting technical co-operation among themselves in food and agriculture, to place greater emphasis on their technical co-operation in that sector, requests developed countries and the United Nations system to assist and support such activities and, in addition requests the United Nations to play a prominent role as promoter and catalyst of international co-operation and technical co-operation among developing countries in food and agriculture;

24. Decides to change the title of the sub-item "Food problems" to "Food and agricultural development" in the agenda of future sessions of the General Assembly and the Economic and Social Council;

25. Requests the Secretary-General, in consultation with the World Food Council, the United Nations Conference on Trade and Development and the Food and Agriculture Organization of the United Nations, to submit to the Economic and Social Council, at its second regular session of 1991, an updated comprehensive report on trends in the international market for agricultural and tropical products

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6/ See Official Records of the General Assembly, Forty-fifth Session, Supplement No. 19 (A/45/19), para. 15.

7/ Ibid., paras. 15-22 and 27-29.

and developments on the liberalization of international trade in agricultural and tropical products, taking into account the share of developing countries in such trade and the possible adverse short-term effects on net food importing developing countries, and on the follow-up to the section on agriculture of the International Development Strategy for the Fourth United Nations Development Decade.

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Agenda item 79

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Carlos Gianelli (Uruguay), on the basis of informal consultations held on draft resolution A/C.2/45/L.39

Report of the South Commission

The General Assembly,

Taking note with appreciation of the report entitled The Challenge to the South: The Report of the South Commission 1/ and the overview and summary of the South Commission report, 2/ an important contribution regarding the development process of the developing countries, assessing the achievements, analysing the failings and suggesting directions for reform,

1. Requests the Secretary-General, in consultation with the President of the Economic and Social Council, to convene within existing resources, not excluding voluntary contributions, during the second regular session of 1991 of the Council, a meeting devoted to an informal exchange of views on the conclusions and recommendations contained in the report of the South Commission - in particular, in its overview and summary;

1/ New York, Oxford University Press, 1990.

2/ Prepared by the South Commission as pre-publication information.

2. Invites Governments and the organs, organizations and bodies of the United Nations system to submit their views on the conclusions and recommendations contained in the report of the South Commission - in particular, in its overview and summary - for consideration at the aforementioned meeting of the Economic and Social Council;

3. Invites the President of the Economic and Social Council to report to the General Assembly at its forty-sixth session on the outcome of the informal exchange of views to be held during the second regular session of 1991 of the Council.

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DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES

Implementation of the Programme of Action for the Least Developed Countries for the 1990s

Programme budget implications of draft resolution A/C.2/45/L.57

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

I. REQUESTS CONTAINED IN THE DRAFT RESOLUTION

1. Under the terms of operative paragraphs 1, 9, 12 and 13 of the draft resolution contained in A/C.2/45/L.57, the General Assembly would:

(a) Endorse the Paris Declaration and the Programme of Action for the Least Developed Countries, adopted by the Second United Nations Conference on the Least Developed Countries (operative paragraph 1);

(b) Decide to strengthen the Special Programme of the United Nations Conference on Trade and Development on the Least Developed Countries and to provide that Programme with sufficient resources, over and above its existing level of resources, to enable the United Nations Conference on Trade and Development to discharge effectively its mandate concerning the implementation of the Programme of Action for the Least Developed Countries for the 1990s on a timely basis and provide the secretariat services specified in the report of the Secretary-General 1/ (operative paragraph 9);

1/ A/45/695.

(c) Request the Secretary-General, in conformity with paragraph 142 of the Programme of Action, to ensure the full mobilization and co-ordination of all organs, organizations and bodies of the United Nations system in the implementation and follow-up of the Programme of Action, in close collaboration with the Director-General for Development and International Economic Co-operation, the Secretary-General of the United Nations Conference on Trade and Development, the secretariats of the regional commissions and the lead agencies for the aid groups (operative paragraph 12);

(d) Request the Secretary-General, bearing in mind the role of the Director-General for Development and International Economic Co-operation in the United Nations development system and his mandate concerning the implementation of the Programme of Action, to provide his Office with the necessary facilities and support for activities related to the least developed countries (operative paragraph 13).

II. BACKGROUND

Programme of Action for the Least Developed Countries for the 1990s

2. The provisions of the Programme of Action for the Least Developed Countries for the 1990s are reviewed in detail in the report of the Secretary-General on the outcome of the Conference. 1/ The Programme of Action is a comprehensive statement of strategy and policy with the objective of the sustained development of the least developed countries. A basic and notable aspect is the recognition therein that development centred on human welfare is broader and more complex that a linear progression of growth, but that without economic growth none of the Programme's other objectives can be achieved. Other noteworthy and novel features of the Programme of Action include the basic principle that commitments should be measurable, transparent and amenable to monitoring; the establishment of a macro-economic policy framework to provide the basis for the structural transformation of the economies of the least developed countries; a new, more realistic approach to external resources, including a menu of options for external development assistance; a comprehensive treatment of the external debt of the least developed countries; and the need for strengthened and effective arrangements for implementation, follow-up and monitoring.

3. The recognition of effective follow-up and monitoring as a key to the successful implementation of the Programme of Action is a feature of major significance. The related mechanisms put into place must permit the monitoring of progress in fulfilling the commitments made by the least developed countries and development partners, must ensure that the global context is not neglected in national planning and action, and permit flexible responses to changes in the external environment, and must secure the active and enduring involvement of all parties.

A. Provisions for implementation, follow-up, monitoring and review of the Programme of Action for the 1990s

4. The Conference agreed on a three-tiered mechanism covering national, regional and global follow-up to monitor the effective implementation of the Programme of Action, set out in section VI therein. A common understanding underlying the provisions of the Programme is that the effectiveness of its implementation would stand or fall on the effectiveness of the follow-up mechanism at each of those levels. Those mechanisms, which have been viewed as complementary and mutually supportive, are to maintain focus on national situations and priorities, ensure responsiveness to changing exogenous conditions and provide for the sharing of national experiences as a basis for strengthening and deepening the development partnership. For them to be fully realized, all parties participating in the Conference have agreed that the review and monitoring mechanisms in place need to be adequately strengthened and supplemented and that appropriate linkages must be established between the various levels.

1. Follow-up at the national level

5. The core of responsibilities at the national level, the leadership for which devolves on the Governments of the least developed countries, is a more consistent and strengthened country review process, which should "continue as the principal means of policy dialogue and co-ordinating the aid efforts of development partners with the development programmes of the least developed countries, as well as mobilizing the required resources for their implementation. The UNDP Round Tables and World Bank Consultative Groups will continue to constitute the backbone of the process to translate the principles and commitments of the Programme of Action into concrete measures at the national level". The Programme of Action envisages that country review meetings should "discuss policy framework papers and national plans, take a comprehensive approach to the financial flows needed, considering, inter alia, the debt of the least developed country concerned and the possible need for debt and debt-service reduction" and that such country review meetings should be "convened every one or two years" and be "buttressed by adequate follow-up arrangements, including sectoral and other ad hoc consultations".

6. While this process requires specific action by UNDP and the World Bank, the Programme of Action calls for the UNCTAD secretariat to participate in the strengthened process of country meetings in relation to its responsibility for the global review process, and for ensuring the necessary linkages in follow-up at the various levels.

2. Follow-up at the regional level

7. The Programme of Action envisages a new specific mandate for the United Nations regional commissions within their areas of competence to monitor progress in economic co-operation between least developed countries and other developing countries, particularly countries in the same region, in close co-ordination with UNCTAD. It calls for them to organize cluster meetings regularly, preferably every two years, with all countries concerned, "in order to improve and strengthen existing co-operation arrangements at the regional and subregional level". The

Programme also calls on the regional commissions to ensure that the needs and problems of the least developed countries are addressed as part of their ongoing work and, in this manner, to contribute to the follow-up process. UNCTAD is requested to provide support to the process at the regional level.

3. Follow-up at the global level

8. In co-operation with other organizations concerned, organs and agencies of the United Nations system, UNCTAD would serve as the focal point for the review and appraisal of the implementation of the Programme of Action and the follow-up at the global level. As noted above, it is also to provide support at the regional level, and to make the necessary links between the national and global levels. Each session of the Trade and Development Board would review progress in the implementation of the Programme of Action. The UNCTAD Intergovernmental Group on the Least Developed Countries would conduct a mid-term review of the situation of the least developed countries and report to the General Assembly on progress in the implementation of the Programme of Action, and consider new measures as necessary.

4. Overall arrangements for co-ordination within the United Nations system

9. The Programme of Action calls on the Secretary-General of the United Nations, in close collaboration with the Director-General for Development and International Economic Co-operation, the Secretary-General of UNCTAD, the executive secretaries of the regional commissions and the lead agencies for the aid groups, to "ensure at the secretariat level the full mobilization and co-ordination of all organs, organizations and bodies of the United Nations system for the purpose of implementation and follow-up of the Programme of Action", and for the establishment or strengthening of least developed country focal points in each United Nations agency to ensure their involvement in the implementation of the Programme of Action throughout the 1990s.

10. The Director-General for Development and International Economic Co-operation will continue to discharge his responsibilities regarding the least developed countries, particularly in co-ordinating and mobilizing the activities of organizations of the system in the implementation of the Programme of Action for the 1990s, in close collaboration with the Secretary-General of the United Nations Conference on Trade and Development, the executive secretaries of the regional commissions and the lead agencies for the aid groups. He will continue to maintain contact with, and provide guidelines to, resident co-ordinators in the least developed countries regarding arrangements for system-wide collaboration at the country level. The Director-General will also ensure, within the United Nations, the coherence, co-ordination and efficient management of the activities of the United Nations secretariat entities in respect of the Programme of Action for the 1990s.

11. It would be the intention of the Director-General, on behalf of the Secretary-General, in close collaboration with the Secretary-General of UNCTAD, to sensitize and mobilize support for the implementation of the Paris Declaration and the Programme of Action, particularly in the context of attaining the resource targets identified therein. The Director-General, in consultation with the

Secretary-General of UNCTAD and other concerned organizations of the United Nations system, will also organize the necessary inter-agency meetings to ensure coherent and co-ordinated implementation of the Paris Declaration and the Programme of Action. The Office of the Director-General will closely follow activities at the regional and country level in order to ensure the overall co-ordination of programmes system-wide.

III. MODIFICATIONS REQUIRED TO THE APPROVED PROGRAMME OF WORK

12. Should the General Assembly adopt draft resolution A/C.2/45/L.57, the programme of work approved for 1990-1991 would be modified as indicated below.

Section 5A. Office of the Director-General for Development and International Economic Co-operation

13. The responsibilities relating to the Director-General for Development and International Economic Co-operation falling under section 5A of the programme budget for 1990-1991 would be revised as follows:

Section 5A. Office of the Director-General for Development and International Economic Co-operation

A. Global economic and social issues

Paragraph 5A.5 (d) (i) would be replaced by the following: "The Paris Declaration and Programme of Action for the Least Developed Countries for the 1990s."

Section 11. Economic and Social Commission for Asia and the Pacific

14. Activities to be undertaken in the ESCAP region would fall under chapter 10 (Development issues and policies), programme 7 (Development issues and policies in Asia and the Pacific), subprogramme 3 (Special measures in favour of the least developed countries), of the medium-term plan for the period 1984-1991, and section 11 (Economic and Social Commission for Asia and the Pacific), programme 3 (Development issues and policies in Asia and the Pacific), subprogramme 3 (Special measures in favour of the least developed countries), of the programme budget for the biennium 1990-1991. The activities approved in the programme budget for 1991 in respect of least developed countries are detailed below, as well as new activities which would be added to the work programme in the light of draft resolution A/C.2/45/L.57:

Programme 3. Development issues and policies in Asia and the Pacific

Subprogramme 3. Special measures in favour of the least developed countries

3.1 Monitoring and review of progress in the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries, and assistance in the development of related programmes and policies in the least developed countries of the region

Output:

(a) Report to the Commission on the socio-economic performance of the least developed countries of the region within the context of the Substantial New Programme of Action (first quarter 1991).

(b) Operational activities: Support to member countries for the improvement of project planning and implementation capabilities in the least developed countries (1991).

New outputs to be added in 1991:

Add: (c) Monitor progress in economic co-operation between least developed and other developing countries in the region in the context of the Programme of Action for the Least Developed Countries for the 1990s.

Add: (d) Substantive servicing of cluster meetings to improve co-operative arrangements at the regional and subregional level.

3.2 In-depth studies on problems of special concern to the least developed countries of the region

Output:

(a) Technical publication: Studies on efforts for the mobilization of domestic savings and on financial resource requirements of the least developed countries of the region (1991).

(b) Operational activities: Support to member countries for the assessment of efforts to mobilize domestic savings in least developed countries of the region, through studies, training and seminars, and for the assessment of financial resource requirements for the development of the least developed countries of the region, through studies, training and seminars.

New output to be added in 1991:

Add: (c) In-depth study on the structural problems of least developed countries.

Section 13. Economic Commission for Africa

15. Activities to be undertaken in the ECA region would fall under chapter 10 (Development issues and policies), programme 3 (Development issues and policies in Africa), subprogramme 3 (Least developed countries), of the medium-term plan for the period 1984-1991, and section 13 (Economic Commission for Africa), programme 3 (Development issues and policies in Africa), subprogramme 3 (Least developed countries), of the programme budget for 1990-1991. The activities approved in the programme budget for 1991 in respect of the least developed countries are detailed below, as well as new activities which would be added to the work programme in the light of draft resolution A/C.2/45/L.57:

Programme 3. Development issues and policies in Africa

Subprogramme 3. Least developed countries

3.1 Advisory services to least developed countries

Output:

(a) Operational activities: Advisory missions to African least developed countries, upon request, for the preparation and organization of donors' meetings and round tables in project preparation, plan preparation and evaluation (2 missions in 1991).

3.2 Review of economic and social conditions in individual least developed countries in Africa

Output:

None for 1991

3.3 Progress reports on the implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries and the long-term development strategies and policies in the 1990s for the least developed countries*

Output:

(a) Substantive servicing of the meeting of the Intergovernmental Committee of Experts of the African Least Developed Countries and of the meeting of the Conference of Ministers of African Least Developed Countries (second quarter, 1991).

(b) Report to the Conference of Ministers of African Least Developed Countries on an assessment of the outcome of the Second United Nations Conference on the Least Developed Countries in the context of the long-term development

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* Highest priority.

strategies and policies of the African least developed countries in the 1990s (second quarter, 1991).

New outputs to be added in 1991:

Add: (c) Monitor progress in economic co-operation between least developed and other developing countries in the region in the context of the Programme of Action for the Least Developed Countries for the 1990s.

Add: (d) Substantive servicing of cluster meetings to improve co-operative arrangements at the regional and subregional level.

3.4 In-depth studies on the economies of the least developed countries

Output:

Report to the Conference of Ministers of African Least Developed Countries on agricultural pricing policies in African least developed countries (second quarter, 1991).

Section 15. United Nations Conference on Trade and Development

16. The activities relating to UNCTAD would fall under chapter 16 (International trade and development finance), programme 6 (Least developed, land-locked and island developing countries), subprogramme 1 (Least developed countries), of the medium-term plan for the period 1984-1991, and section 15 (UNCTAD), programme 8 (Least developed, land-locked and island developing countries), of the programme budget for the biennium 1990-1991. The activities approved in the programme budget for 1991 in respect of least developed countries are detailed below, as well as new activities which would be added to the work programme in the light of draft resolution A/C.2/45/L.57:

Programme 8. Least developed, land-locked and island developing countries

Subprogramme 1. Least developed countries

1.1 Implementation of the Substantial New Programme of Action for the 1980s for the Least Developed Countries

Output: None for 1991

1.2 Preparation for the Second United Nations Conference on the Least Developed Countries, 1990*

Output: None for 1991

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* Highest priority.

1.3 Follow-up to the Second United Nations Conference on the Least Developed Countries*

Output:

(a) Report to the General Assembly on follow-up to the Conference (second quarter, 1991).

(b) Technical publication: annual report on least developed countries (third quarter, 1991).

Existing output (a) would be strengthened to read: Report of the least developed countries to the Trade and Development Board and the General Assembly containing reviews of progress in the implementation of the Programme of Action for the Least Developed Countries for the 1990s and proposals for ensuring its effective implementation (fourth quarter, 1991).

New outputs to be added in 1991:

Add: (c) Substantive contributions would be made to the follow-up and monitoring process at regional and sub-regional levels by the regional commissions.

1.4 Substantive contributions to country review meetings

The existing service provided under this programme element would be strengthened to read: Participation will be ensured in and substantive contributions provided to all country review meetings; close consultation and co-ordination will be maintained with other international bodies concerned - in particular, UNDP and the World Bank; assistance will be provided to individual developing countries in assessing technical co-operation needs and in the formulation of related projects and programes.

New output to be added in 1991:

Add: (a) Report to the Trade and Development Board, regional commissions, country review meetings, Governments of least developed and donor countries, covering, inter alia: economic and social performance of least developed countries, progress in the development and implementation of a macro-economic policy framework, and country policy framework plans and country level co-ordination arrangements in support of the global and country review processes (third quarter, 1991).

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* Highest priority.

1.5 Analysis of specific trade and development issues

Output:

(a) Technical publications on: (i) import cost-saving measures (one, third quarter, 1991); (ii) the role of the enterprise sector in least developed countries, including appropriate incentive systems (one, fourth quarter, 1991).

(b) Substantive support is provided to short-term advisory missions and seminars (one mission each quarter, 1991; one seminar, second quarter, 1991).

1.6 Evaluation of technical co-operation and aid modalities as applied to least developed countries and analysis of the use of aid**

Output:

(a) Advice is provided to least developed countries in the identification of availability of multilateral and bilateral technical co-operation for the improvement of their planning and administrative capacity.

New output to be added in 1991:

Add: (b) Report to the Trade and Development Board, Governments of least developed and donor countries and country review meetings containing reviews of assistance in response to the needs and circumstances of least developed countries, and evaluation of technical co-operation and aid modalities as applied to least developed countries (fourth quarter, 1991).

1.7 Quantitative analysis and economic projections

Output:

(a) Quantitative analytical support is provided to all UNCTAD programmes concerning least developed, land-locked and island developing countries.

New output to be added in 1991:

Add: (b) Technical publication: Basic data on the least developed countries (fourth quarter, 1991). Development and maintenance of indicators to measure qualitatively and quantitatively the performance of least developed countries and the support provided by their development partners during the decade. (To be issued periodically in the form of technical publications.)

Add: (c) Support provided to the Committee for Development Planning in its review of criteria for designating the least developed countries (first quarter, 1991); and to individual least developed countries for the collection of

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** Lowest priority.

information required as a basis for development and maintenance of performance indicators.

Add two new programme elements and related outputs for 1991:

1.8 Strengthening of human and institutional capacities of the least developed countries

Output:

(a) Report to the Trade and Development Board, Governments of least developed and donor countries, on progress in the development of policies and measures, and implementation thereof, for the strengthening of human and institutional capacities for effective management of the development process; and for increasing the participation of women, enterprises and non-governmental organizations in the development of least developed countries (fourth quarter, 1991). In addition, an information base on the role of women, the enterprise sector and non-governmental organizations in the implementation of the Programme of Action for the 1990s will be established and maintained.

1.9 Development and application of policies and measures relating to environmental and resource management capacity in the least developed countries

Output:

(a) Report to the Trade and Development Board, Governments of least developed and donor countries reviewing progress in the development and application of measures for strengthening the environmental and resource management capacities of the least developed countries (third quarter, 1991).

IV. ADDITIONAL REQUIREMENTS AT FULL COST

17. On the basis of new activities outlined above, additional requirements in 1991 under sections 11 (ESCAP), 13 (ECA) and 15 (UNCTAD) would be as follows:

Section 11. Economic and Social Commission for Asia and the Pacific

18. Under section 11 (ESCAP) of the programme budget for the biennium 1990-1991, additional requirements would be:

(a) One officer (P-5) and one General Service staff to assist in monitoring progress in regional and subregional co-operation between least developed and other developing countries; and to assist in servicing country review meetings and regional cluster meetings for least developed countries, as envisaged in the Programme of Action for the 1990s;

(b) In addition, a sum of $10,000 would be required for travel of staff for missions to least developed countries in the region for co-ordinating and monitoring progress in economic co-operation between least developed and other developing countries in the context of the Programme of Action.

19. Additional requirements under section 11 (ESCAP) are summarized below:

(a) Salaries and common staff costs for:

	$
(i) One P-5 Professional staff	43 300
(ii) One General Service staff	10 800
(b) Travel of staff	10 000
Total	64 100

Section 13. Economic Commission for Africa

20. Under section 13 (ECA) of the programme budget for the biennium 1990-1991, additional requirements would be:

(a) One officer (P-5) and one General Service staff to assist in monitoring progress in regional and subregional co-operation between least developed and other developing countries; and to assist in servicing country review meetings and regional cluster meetings for least developed countries as envisaged in the Programme of Action for the 1990s;

(b) In addition, a sum of $10,000 would be required for travel of staff for missions to least developed countries in the region for co-ordinating and monitoring progress in economic co-operation between least developed and other developing countries in the context of the Programme of Action.

21. Additional requirements under section 13 (ECA) are summarized below:

(a) Salaries and common staff costs for:

	$
(i) One P-5 Professional staff	54 100
(ii) One General Service staff	11 000
(b) Travel of staff	10 000
Total	75 100

Section 15. United Nations Conference on Trade and Development

22. Under section 15 (UNCTAD) of the programme budget for the biennium 1990-1991, additional requirements would be:

(a) One senior officer (P-5) and one officer (P-3), together with one General Service staff, to be located in Geneva, to provide support to UNCTAD's Special Programme for the Least Developed Countries, and to supplement existing capacity and expertise consistent with the need for appraisal of the macro-economic frameworks and related plans of the least developed countries. Staff would be deployed in support of the global monitoring process, and of preparations for, and participation in, the expanded and strengthened country review process, and especially to assist in preparing substantive contributions for the first round of country-level meetings - a process which is to begin in 1991 and for which UNCTAD's responsibilities would extend on a regular and consistent basis to all country-level meetings to be held every two years in least developed countries, in order to make the necessary links between the national and global level processes; to co-ordinate and co-operate with UNDP and the World Bank in substantive preparations for such meetings; to maintain close co-ordination with, and provide substantive support to, the regional commissions in their activities for monitoring at the regional and subregional levels and in connection with their related biennial cluster meetings;

(b) One officer (P-4) together with one General Service staff, to be located in the New York office of UNCTAD; to work in close collaboration with the Office of the Director-General for Development and International Economic Co-operation; to provide support to the permanent missions of least developed countries in New York on substantive matters in following up the Programme of Action; to assist those permanent missions in co-ordinating with other groups and international bodies; to assist in servicing the annual ministerial consultations among least developed countries; to consult with agency representatives in New York and attend meetings held in New York relating to the Programme of Action, drawing on a continuing basis on the substantive output of the UNCTAD Special Programme for Least Developed Countries and other sectoral programmes of UNCTAD, and providing the Special Programme with inputs resulting from the above activities;

(c) In addition, a sum of $20,000 would be required for travel of staff for consultative missions to least developed countries and the relevant regional commissions in the context of follow up to the Programme of Action.

23. These additional requirements under section 15 (UNCTAD) are summarized below:

		$
(a)	Salaries and common staff costs for:	
(i)	3 Professional staff (1 P-5, 1 P-4, 1 P-3)	143 400
(ii)	2 General Service staff	66 700
(b)	Travel of staff	20 000
	Total	230 100

V. POTENTIAL FOR ABSORPTION

24. The above proposals are made on the assumption that the ongoing work programmes of the United Nations would be adjusted to accommodate much of the added responsibility devolving from the Programme of Action for the 1990s. The additional requirements proposed for ESCAP ($64,100), ECA ($75,100) and UNCTAD ($230,100), are related to new activities, particularly those to be initiated in 1991 and necessary to avoid adversly affecting implementation of other essential, mandated activities. The programme budget for 1990-1991 does not provide for the additional activities described above, and it is not anticipated that the combined estimated cost of $369,300 can be absorbed within existing appropriations.

VI. ADDITIONAL REQUIREMENTS

25. Accordingly, should the General Assembly adopt the draft resolution contained in A/C.2/45/L.57, it is estimated that additional requirements of $64,100 would arise under section 11 (ESCAP), $75,100 under section 13 (ECA), and $230,100 under section 15 (UNCTAD), totalling $369,300 for the biennium 1990-1991.

VII. CONTINGENCY FUND

26. It will be recalled that, under the procedure established by the General Assembly in its resolution 41/213 and in effect starting with the biennium 1990-1991, a contingency fund is established for each biennium to accommodate additional expenditures derived from legislative mandates not provided for in the programme budget. Under the same procedure, if additional expenditures are proposed that exceed resources available from the contingency fund, those activities can be implemented only through redeployment of resources from low-priority areas or modifications of projected activities. Otherwise, such additional activities will have to be deferred until a later biennium. A consolidated statement of all programme budget implications and revised estimates will be submitted to the Assembly towards the end of its current session.

27. The Secretary-General has considered the possibility of curtailing activities programmed under section 15 (UNCTAD), programme 7 (Trade among countries having different economic and social systems), in order to offset the additional resources required to implement the activities proposed for UNCTAD. In the event, therefore, that such resources are not available from the contingency fund, it would be the Secretary-General's intention to curtail activities funded from the appropriation under section 15, programme 7, in order to meet the additional requirements under section 15 resulting from the adoption of the draft resolution contained in A/C.2/45/L.57.

28. No activities are proposed for termination, deferral, curtailment or modification in the programme budget for the biennium 1990-1991 in order to finance the activities proposed under section 11 (ESCAP) and section 13 (ECA). In the event, therefore, that such resources are not available from the contingency fund, these activities would have to be postponed, as provided for in the guidelines for the use of the contingency fund adopted by the Assembly in its resolution 42/211.

VIII. SUMMARY

29. Should the General Assembly adopt the draft resolution contained in A/C.2/45/L.57, it is estimated that additional requirements of $64,100 would be needed for section 11 (ESCAP), $75,100 for section 13 (ECA), and $230,100 for section 15 (UNCTAD), amounting to $369,300 for the biennium 1990-1991. In addition, an amount of $81,700 would be required under section 31 (Staff assessment), to be offset by an increase in the same amount under income section 1 (Income from staff assessment).

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Forty-fifth session
SECOND COMMITTEE
Agenda item 79 (c)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION: REVIEW AND APPRAISAL OF THE IMPLEMENTATION OF THE SUBSTANTIAL NEW PROGRAMME OF ACTION FOR THE 1980s FOR THE LEAST DEVELOPED COUNTRIES

Implementation of the Programme of Action for the Least Developed Countries for the 1990s

Programme budget implications of draft resolution A/C.2/45/L.57

Statement submitted by the Secretary-General in accordance with rule 153 of the rules of procedure of the General Assembly

Addendum

Section 15 - United Nations Conference on Trade and Development

1. Paragraph 22

Add the following two subparagraphs:

22. (d) Should the General Assembly adopt draft resolution A/C.2/45/L.57, reclassification of one of the D-1 posts currently assigned to section 15 (UNCTAD) programme 8 (Least developed, land-locked and island developing countries) subprogramme 1 (Least developed countries) to the Director (D-2) level would be required in order to provide overall direction, at a level commensurate with the size and scope of the modified work programme of UNCTAD's Special Programme on the Least Developed Countries.

22. (e) It would also be required to reclassify a P-5 post to the D-1 level to provide additional support to UNCTAD's enhanced level of activity

resulting from adoption of the Programme of Action. The location of this reclassified post would depend on the work-load of the units involved and the venue of future meetings on least developed countries.

2. Paragraph 23

Add the following subparagraph:

23.	(c)	(i) Cost of upgrading a D-1 post to D-2	$8,400
		(ii) Cost of upgrading a P-5 post to D-1	$9,800

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10 December 1990

ORIGINAL: ENGLISH

Forty-fifth session
SECOND COMMITTEE
Agenda item 80

UNITED NATIONS CONFERENCE ON ENVIRONMENT AND DEVELOPMENT

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Ahmed Amaziane (Morocco), on the basis of informal consultations held on draft resolution A/C.2/45/L.60

United Nations Conference on Environment and Development

The General Assembly,

Recalling the report of the Preparatory Committee for the United Nations Conference on Environment and Development on its organizational session, held at United Nations Headquarters from 5 to 16 March 1990, 1/

Having considered the Report of the Preparatory Committee on its first session, held at Nairobi from 6 to 31 August 1990, 2/

1. Reaffirms its resolution 44/228 of 22 December 1989 on the United Nations Conference on Environment and Development;

2. Stresses the fundamental interrelationship between environment and development, and reiterates the need to integrate and keep the balance between the environmental and developmental dimensions during the entire preparatory process and during the Conference, and the need for cross-sectoral issues to be fully integrated into that work;

1/ Official Records of the General Assembly, Forty-fourth Session, Supplement No. 48 (A/44/48).

2/ A/45/46.

3. Reaffirms its endorsement of the decisions contained in the report of the Preparatory Committee on its organizational session; 1/

4. Takes note of the report of the Preparatory Committee on its first session and endorses the decisions contained therein; 3/

5. Decides that the United Nations Conference on Environment and Development shall take place at Rio de Janeiro, Brazil, from 1 to 12 June 1992;

6. Urges that representation at the Conference be at the level of head of State or Government;

7. Requests the Secretary-General of the United Nations to invite all States Members of the United Nations or members of the specialized agencies and observers, in accordance with the established practice of the General Assembly;

8. Expresses its appreciation to the Governments that have contributed to the Voluntary Fund for the United Nations Conference on Environment and Development and invites Governments to contribute urgently and generously to the Fund in order that the operation of the Fund may enable developing countries, in particular the least developed among them, to participate fully and effectively in the Conference and in its preparatory process, in accordance with General Assembly resolution 44/228, section II, paragraph 15;

9. Calls upon the United Nations Environment Programme and other organs, organizations and bodies of the United Nations system to continue to give full support to the preparatory process for the Conference and assist the Secretary-General of the United Nations Conference on Environment and Development in the implementation of the work programme, in conformity with General Assembly resolution 44/228;

10. Requests the organs, organizations and bodies of the United Nations system to extend full co-operation to developing countries in order to ensure that appropriate preparations for the forthcoming sessions of the Preparatory Committee are made, in particular in all aspects relating to linkages between environment and development, including the identification of concrete measures and action to ensure that these issues are treated in a balanced and integrated way;

11. Endorses Preparatory Committee decision 1/7 of 29 August 1990 concerning the dates of the second and third sessions of the Preparatory Committee;

12. Requests the Secretary-General of the Conference to ensure the timely submission to the Preparatory Committee at its second and third sessions of the reports requested at its first session;

3/ Ibid., annex I.

13. Takes note of the provisions of Preparatory Committee decision 1/1 of 14 August 1990 3/ and authorizes the Preparatory Committee, without prejudice to the provisions of Assembly resolution 44/228, to continue to apply, for the purpose of the preparatory process, the provisional arrangements agreed upon in that decision concerning the participation of non-governmental organizations in the preparatory process;

14. Reiterates that the Preparatory Committee shall review and assess ongoing negotiating processes in the field of the environment and invites the forums involved in such processes to report regularly on their activities to the Preparatory Committee at its forthcoming sessions, in accordance with the guidelines and requirements established by the Preparatory Committee.

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Forty-fifth session
SECOND COMMITTEE
Agenda item 148

IMPLEMENTATION OF THE COMMITMENTS AND POLICIES AGREED UPON IN THE DECLARATION ON INTERNATIONAL ECONOMIC CO-OPERATION, IN PARTICULAR THE REVITALIZATION OF ECONOMIC GROWTH AND DEVELOPMENT OF THE DEVELOPING COUNTRIES

Draft resolution submitted by the Vice-Chairman of the Committee, Mr. Carlos Gianelli (Uruguay), on the basis of informal consultations held on draft resolution A/C.2/45/L.7

The General Assembly,

Reaffirming its resolution S-18/3 of 1 May 1990, containing the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries,

Convinced that the full and effective implementation of the commitments and policies agreed upon in the Declaration would contribute to the strengthening of international economic co-operation, in particular the revitalization of economic growth and development of the developing countries,

Noting with appreciation the results achieved by the Second United Nations Conference on the Least Developed Countries, in the elaboration of the International Development Strategy for the Fourth United Nations Development Decade and by the World Summit for Children in the light of the Declaration,

1. Takes note of Economic and Social Council resolution 1990/54 of 24 July 1990;

2. Calls upon Governments of States Members of the United Nations and specialized agencies to take appropriate measures to ensure the full and effective implementation of the commitments and policies agreed upon in the Declaration;

3. Requests the Secretary-General to submit to the General Assembly at its forty-sixth session a report on the steps taken by the Governments of developed and developing countries, individually and collectively, as well as by the organs, organizations and bodies of the United Nations system, to fulfil those commitments and policies, taking into account Economic and Social Council resolution 1990/54;

4. Decides to include in the agenda of its forty-sixth session an item entitled "Implementation of the commitments and policies agreed upon in the Declaration on International Economic Co-operation, in particular the Revitalization of the Economic Growth and Development of the Developing Countries";

5. Decides that during consideration of the item mentioned in paragraph 4 above, the General Assembly should elaborate effective modalities to ensure action-oriented political review and follow-up processes for the Declaration on International Economic Co-operation, in particular the Revitalization of Economic Growth and Development of the Developing Countries and for the International Development Strategy for the Fourth United Nations Development Decade in accordance with paragraph 38 of the Declaration and paragraph 112 of the Strategy.

UNITED NATIONS

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General Assembly

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A/C.2/45/L.84
10 December 1990

ORIGINAL: ENGLISH

Forty-fifth session
SECOND COMMITTEE
Agenda item 79 (b)

DEVELOPMENT AND INTERNATIONAL ECONOMIC CO-OPERATION:
TRADE AND DEVELOPMENT

Draft resolution submitted by the Vice-Chairman of the Committee Mr. Carlos Gianelli (Uruguay), on the basis of informal consultations held on draft resolution A/C.2/45/L.47

Commodities

The General Assembly,

Recalling its resolution 1995 (XIX) of 30 December 1964, as amended, on the establishment of the United Nations Conference on Trade and Development, Conference resolution 93 (IV) of 30 May 1976 on the Integrated Programme for Commodities, 1/ 124 (V) of 3 June 1979, 2/ 155 (VI), 156 (VI) and 157 (VI) of 2 July 1983, 3/ the Final Act adopted by the Conference at its seventh session, 4/ and the Agreement Establishing the Common Fund for Commodities, 5/ which entered into force on 19 June 1989,

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1/ See Proceedings of the United Nations Conference on Trade and Development, Fourth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.73.II.D.10 and corrigendum), part one, sect. A.

2/ Ibid., Fifth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.79.II.D.14), part one, sect. A.

3/ Ibid., Sixth Session, vol. I, Report and Annexes (United Nations publication, Sales No. E.83.II.D.6), part one, sect. A.

4/ See TD/350.

5/ United Nations publication, Sales No. E.81.II.D.8 and corrigendum.

Recalling also its resolutions 41/168 of 5 December 1986, 43/27 of 18 November 1988 and 44/218 of 22 December 1989,

Recognizing that commodity exports continue to play a key role in the economies of developing countries as a whole, as a major source of export earnings, investment and livelihood,

Noting that the changes in Central and Eastern Europe may have important effects on commodity production and trade and that these developments, as well as the potential for expanding South-South trade in commodities, should be fully explored,

Concerned that the problems associated with instability and shortfalls in export earnings are aggravated by commodity prices that, by historical standards, are at generally low levels,

Noting with concern that significant shortfalls in export earnings of commodities have caused serious difficulties in implementing long-term development plans and objectives, as well as in pursuing adjustment efforts,

Concerned about the difficulties experienced by developing countries in financing and implementing diversification programmes,

Bearing in mind the fact that the upstream and downstream linkages between the commodity sector and the national economy need to be strengthened in many developing countries,

Considering that a particularly important role is played by the export of commodities in the economies of the least developed countries,

1. Takes note of the report of the Secretary-General of the United Nations Conference on Trade and Development on world commodity trends and prospects, with particular reference to the situation of commodity-dependent developing countries; 6/

2. Emphasizes the importance of maximizing the contribution of the commodity sector to economic growth and transformation in commodity-dependent developing countries by ensuring that developments in the commodity sector contribute effectively to the generation of growth and development in other sectors of the economy, as well as to the eradication of poverty, in this context stresses also the importance of the diversification efforts of commodity-exporting developing countries;

3. Urges increased active participation in and better use of forums of consumers and producers as a means of exchanging information on, inter alia, investment plans, prospects and markets for individual commodities and as a means

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6/ A/45/442.

of facilitating direct contacts among the partners involved, and urges the establishment, where appropriate and feasible, of such forums for commodities for which they do not yet exist;

4. Expresses its conviction that supportive international policies to improve the functioning of commodity markets through greater transparency and to create more stable and predictable conditions in commodity trade contribute significantly to the efforts of commodity-dependent developing countries to revitalize their development;

5. Recognizes that, as a means of strengthening the national economies of commodity-dependent developing countries, national and international efforts should, inter alia, be based on the following:

(a) A clear assessment of both the agricultural and the minerals potential and the integration of the commodity sector in the overall development strategy;

(b) A better understanding and strengthened complementarity of industry and market structures and of marketing systems at both national and international levels, having regard to the advantages of regional trade;

(c) Increased access to finance, technologies and markets;

(d) The elaboration and implementation of diversification programmes, including programmes for greater self-sufficiency in food;

6. Also recognizes the urgent need to strengthen efforts to address the grave problem of shortfalls in the commodity-export earnings of developing countries, notes, in this regard, the outcome of the sixteenth special session of the Trade and Development Board, devoted to compensatory financing, and takes note of the decision of the Committee on Commodities of the United Nations Conference on Trade and Development that the issue of export-earning shortfalls and compensatory financing should figure as a specific issue for discussion at its next session;

7. Stresses that decisions on diversification are primarily the responsibility of developing countries, emphasizes, in that context, the need for continued implementation of their diversification programmes, bearing in mind the long-term evolution of market conditions and the linkage between diversification efforts and markets access, and invites developed countries, international financial institutions and other relevant organizations to extend financial support to such diversification programmes;

8. Reiterates its conviction that more stable market conditions for commodities would be conducive to the social and economic development of developing countries and could, inter alia, contribute to the international campaign against illicit production of, trafficking in and abuse of narcotic drugs, thus supporting the efforts undertaken by countries to combat such illicit activities;

9. Urges all the parties involved to meet their agreed commitments and to work for a balanced outcome to the multilateral trade negotiations within the Uruguay Round so as to ensure that their successful conclusion brings about further expansion and liberalization of trade in commodities, taking into account the special and differential treatment for developing countries, as well as all other principles contained in the Ministerial Declaration on the Uruguay Round; 7/

10. Takes note of the establishment of the Common Fund for Commodities, of the voluntary contributions pledged by countries that are members of the Common Fund and of the hope expressed by the member countries that further contributions will be forthcoming;

11. Also takes note of the desire of the members of the Common Fund that countries, particularly major exporters and consumers of commodities, that have not yet ratified the Agreement Establishing the Common Fund for Commodities should do so as soon as possible;

12. Stresses that international commodity agrements and arrangements can have an important role to play in resolving commodity problems, where they involve the participation of all major producers and consumers and where they are aimed at improving transparency and better functioning of commodity markets, and in this context calls for the implementation of the relevant provisions of the Final Act adopted by the United Nations Conference on Trade and Development at its seventh session;

13. Also urges the United Nations Conference on Trade and Development at its eighth session to address all aspects of commodity problems in a comprehensive manner, and requests the Secretary-General of the Conference to submit to the General Assembly at its forty-seventh session a report on world commodity trends and prospects, with particular reference to the situation of commodity-dependent developing countries, in the light of the outcome of the eighth session of the Conference, bearing in mind the relevant conclusions of the Committee on Commodities of the Conference at its fourteenth session;

14. Decides to include the question of commodities in the agenda of its forty-seventh session.

7/ See GATT, Focus Newsletter, No. 41, October 1986.